

Private and Confidential – For Private Circulation Only
Shelf Placement Memorandum for Issue of Secured Rated Listed
Redeemable Non-Convertible Debentures on a private placement basis
August 20, 2021

Shelf Placement Memorandum issued in conformity with 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: August 20, 2021

Type of Placement Memorandum: Private Placement

SHELF PLACEMENT MEMORANDUM FOR ISSUE OF UPTO 75,000 (SEVENTY-FIVE THOUSAND) SECURED, RATED, LISTED, REDEEMABLE NON-CONVERTIBLE DEBENTURES OF THE FACE VALUE OF RS.10,00,000/- (RUPEES TEN LAKH ONLY) EACH, AGGREGATING UP TO RS. 7500,00,00,000/- (RUPEES SEVEN THOUSAND AND FIVE HUNDRED CRORES ONLY) (THE "DEBENTURES" or "NCDs"), 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 Debentures by the Company hereunder in Tranches/ Series shall be valid for a period of one (1) year from the Issue Opening Date of the first Tranche/ Series of Debentures issued by the Company by way of a Tranche Placement Memorandum and in respect of each offer of Debentures 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: 02249116368 E-mail: compliance@hdbfs.com	Name: Ms. Dipti Khandelwal Telephone: 02249116368 E-mail: compliance@hdbfs.com	Name: Haren Parekh Telephone: Chief Financial Officer E-mail: haren.parekh@hdbfs.com	Name: HDFC Bank Limited Telephone: 022 - 3976 0000 E-mail: santosh.haldankar@hdfcbank.com

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Details of Debenture 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.
IDBI Trusteeship Services Limited	Link Intime Private Limited	CARE Ratings Limited	CRISIL Ratings Limited	
Registered Address: Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai - 400 001 Corporate Address: Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai - 400 001	Registered Address: C 101, 247 Park, L B S Marg, Vikhroli Mumbai - 400 083 Corporate Address: C 101, 247 Park, L B S Marg, Vikhroli Mumbai - 400 083	Registered Address: 4th Floor, Godrej Coliseum, Somaiya Hos- pital Road, Off. Eastern Express Highway, Sion (E), Mum- bai - 400 022. Corporate Address: 4th Floor, Godrej Coli- seum, Somaiya Hospital Road, Off. Eastern Express Highway, Sion (E), Mumbai - 400 022.	Registered Address: CRISIL House, Central Avenue, Hiranandani Busi- ness Park, Powai, Mumbai - 400076 Corporate Address: CRISIL House, Central Av- enue, Hiranandani Busi- ness Park, Powai, Mumbai - 400076	
Tel No.: 022-40807008 Fax No.: 022-66311776	Tel No.: 022 49186000 Fax No.: 022 49186060	Tel No.: 022- 6754 3456 Fax No.: 022- 6754 3457	Tel No.: 022 3342 3000 Fax No.: 22 3342 3001	
Contact Person: Mr. Aditya Kapil Tel No.: 022-40807011	Contact Person: Mr. Ganesh Jadhav Tel No.: 022 49186000	Contact Person: Mr. Hi- manshu Shethia Tel No.: 022-6754 3468	Contact Person: Ms. Sub- hasri Narayanan Tel No.: 022-3342 3403	
Email: adityakapil@idbi- trustee.com Website: www.idbitrustee- com	Email: ganesh.jadhav@linkintim e.co.in Website: www.linkin- time.co.in	Email: himanshu.shethia@carer atings.com Website: www.carerat- ings.com	Email: subhasri.narayanan@crisil. com Website: www.crisilrat- ings.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 Debentures offered pursuant to this Shelf Placement Memorandum shall be subject to the terms and conditions pertaining to the Debentures 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 Debentures Holders from time to time) contained in the respective Tranche Placement Memorandums, and in case of any repugnancy, 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.

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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. Debentures 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: July 28, 2021 by CARE Ratings Limited and August 13, 2021 by CRISIL Ratings Limited

Date of Rating Rational/Press Release of Ratings: July 02, 2021 & July 16, 2021 by CARE Ratings Limited and August 13, 2021 by CRISIL Ratings

Press Release and Rating Rationale: Please refer Annexure II

LISTING

The Debentures 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 Debentures.

Subject to applicable law, the categories of investors eligible to subscribe to the Debentures in this Issue, when addressed directly, are all QIBs, and any non-QIB Investors specifically mapped by the Issuer on the EBP Platform.

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.

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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 Debenture Trustee	IDBI Trusteeship Services Limited. Please refer to Annexure VI for terms and conditions of the details of appointment of the Debenture Trustee
Nature and Issue Size	Upto 75,000 secured, rated, listed, redeemable Non-Convertible Debentures of the Face Value of Rs.10,00,000/- (Rupees Ten Lakh Only) each, aggregating up to Rs. 7500,00,00,000/- (Rupees Seven Thousand and 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. 7500,00,00,000/- (Rupees Seven Thousand and 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 Debentures 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. 10,00,000/- (Rupees Ten Lakhs Only) thereafter.
Trading Lot Size	Rs. 10,00,000/- (Rupees Ten lakhs Only)
Settlement Cycle [T+1/ T+2] where T refers to the date of bidding/ Issue day	As per the Tranche Placement Memorandum

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APPLICATION PROCESS

A. HOW TO APPLY

Only eligible investors as given hereunder to whom the Disclosure Document is addressed may apply for the Debentures. 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 Debentures 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 Debentures 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 Debentures 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 Debentures 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:

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 Debentures 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,

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shall be considered as "identified persons" to whom the Issuer shall make private placement of the Debentures and only such "identified persons" shall receive a direct communication from the Issuer with offer to subscribe to the Debentures and only such "identified persons" shall be entitled to subscribe to the Debentures (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 Debentures, 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 Debentures.

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.

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.

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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 Debentures 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 Debentures 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 Debentures.

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 Debentures 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 Debentures 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 Debentures 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 Debentures and the credit of the Debentures into the demat account of the Successful Bidders to EBP, the subscription monies in respect of the Debentures 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 Debentures 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 Debentures 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 Debentures 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 Debenture Holders except the one(s) disclosed in the Disclosure Documents. Any covenants later added shall be disclosed on the stock exchange website where the Debentures 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 Debentures 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 Debentures.
Application Form	The form in which an investor can apply for subscription to the Debentures as provided in Annexure III
Articles of Association /AoA	Articles of Association of HDB Financial Services Limited
Asset Cover	Shall mean the aggregate value of all the principal amount of the Receivables, which is to be maintained by the Company at 1.10 (One Decimal Point One Zero) times of the outstanding principal and the Coupon amounts on the Debentures to be issued by the Company or such other asset cover as may be agreed to by the Company and the Trustee and the Debenture Holder(s) in relation to a particular Tranche/Series and stipulated in the relevant Tranche Placement Memorandum, in respect of which the Hypothecated Assets constitutes security on an exclusive first ranking and continuing basis from the date of execution of the Trust Deed till the Final Settlement Date. It is hereby expressly clarified that the aggregate value of the Receivables shall suffice to cover the due repayment of the outstanding principal as well as the Coupon amounts under the Debentures.
Beneficial Owner(s)	Holder(s) of the Debentures in dematerialized form as defined under Section 2 of the Depositories Act.
Board	Board of Directors of HDB Financial Services Limited
BSE	BSE Ltd.
CDSL	Central Depository Services Limited
CERSAI	Central Registry of Securitisation Asset Reconstruction and Security Interest of India.
Company / Issuer / HDB	HDB Financial Services Limited
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 Rating 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, Somaia 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(s)	Secured, Rated, Listed, Redeemable Non-Convertible Debentures for cash aggregating upto Rs. 7500,00,00,000/- (Rupees Seven Thousand and Five Hundred Crore only) of the Face Value of Rs.10,00,000/- (Rupees Ten Lakh Only) each to be issued in one or more Tranches/Series pursuant to this Shelf Placement Memorandum and the Tranche Placement Memorandum.
Debenture Holder(s)	The holder(s) of the Debentures issued by the Issuer and shall include the registered transferees of the Debentures from time to time.
Debenture Trustee/ Trustee	Trustee appointed for the Debenture Holders, in terms of the Debenture Trustee Agreement.

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Shelf Placement Memorandum for Issue of Secured Rated Listed
Redeemable Non-Convertible Debentures on a private placement basis
August 20, 2021

Shelf Placement Memorandum issued in conformity with 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.

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 the Debentures 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 Debentures 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.
Deed of Hypothecation	The deed of hypothecation entered/ to be entered into by and between the Company and the Trustee for creation of first and exclusive charge by hypothecation over specific identified Receivables in favour of the Debenture Trustee (acting for and on behalf of the Debenture Holders).
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, this Shelf Placement Memorandum and the relevant Tranche Placement Memorandum for the issue of Debenture constituting a Tranche/Series.
DP	Depository Participant
DP-ID	Depository Participant Identification Number.
DNBS	Department of Non-Banking Supervision (of RBI)
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 Debentures are entitled to any payments, in accordance with this Shelf Placement Memorandum, the Tranche Placement Memorandum or any other Transaction Document.
EBP/ Electronic Book Provider	Shall have the meaning assigned to such term under the Electronic Book Mechanism Guidelines.
Equity Shares	Equity shares of the Company of face value of Rs.10/- (Rupees Ten only) each.
Final Settlement Date	Shall mean the date on which the Secured Obligations have been irrevocably discharged in full and all the Series/Tranches of the Debentures have been redeemed by the Company in full.
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
Hypothecated Assets	shall mean the property comprising of the Receivables hypothecated/to be hypothecated on a first and exclusive basis in favour of the Trustee acting on behalf of and for the benefit of the Debenture Holder(s).
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-re-course basis);

Private and Confidential – For Private Circulation Only
Shelf Placement Memorandum for Issue of Secured Rated Listed
Redeemable Non-Convertible Debentures on a private placement basis
August 20, 2021

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	(vi) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing; (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); (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; (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; (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); (xi) any preference shares (excluding any compulsorily convertible preference shares); (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.
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 Debentures for the period shall be specified in the relevant Tranche Placement Memorandum issued for each Tranche/Series of the Debentures.
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 Debentures for sale on private placement basis through this Shelf Placement Memorandum.
Majority Debenture Holder(s)	In respect of any Tranche/Series, the Debenture Holder(s) holding an aggregate amount representing not less than 75% (Seventy Five Percent) of the value of the nominal amount of the Debentures 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 Debenture Holder(s)" shall mean the Debenture 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 Debentures 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
NEFT	National Electronic Funds Transfer Service.

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Shelf Placement Memorandum for Issue of Secured Rated Listed
Redeemable Non-Convertible Debentures on a private placement basis
August 20, 2021

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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.
PAN	Permanent Account Number
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
Receivables	means the present and future receivables belonging to the Company including all amounts payable by the obligors of the Company (including principal, interest, additional interest, overdue charges, premium on prepayment, prepayment proceeds, gross of service tax (if any) arising out of any of loans and advances of the Company), and which are more particularly identified in the Deed of Hypothecation and will include the receivables that will be set out in the Supplemental Receivables Schedules that will be provided to the Debenture Trustee from time to time under the terms of the Debenture Trust Deed read together with the terms of the Deed of Hypothecation.
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.
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 its Circular dated January 05, 2018 (bearing reference number SEBI/HO/DDHS/CIR/P/2018/05) titled 'Electronic book mechanism for issuance of securities on private placement basis' read along with the related Clarifications dated August 16, 2018 (bearing reference number SEBI/HO/DDHS/CIR/P/2018/122), and the related operational guidelines issued by the concerned Electronic Book Provider, as may be amended, clarified or updated from time to time.
Series	shall mean any series of Debentures (within a Tranche) issued under the Issue pursuant to the issue of an Shelf Placement Memorandum and Private Placement Offer cum Application Letter.
Secured Obligations	shall mean, collectively: (i) all of the Company's obligations and liabilities under or in respect of the Debentures under the relevant Transaction Documents (as defined hereinafter) including the redemption/ repayment of the principal amount of the Debentures, payment of Coupon (as defined hereinafter), additional interest in case of default (where applicable); (ii) all monies due and payable to the Trustee including the remuneration payable to the Trustee and/or the receiver in terms of and pursuant to the Trustee Agreement and the Trust Deed; and (iii) all fees, costs, charges and expenses and other monies payable hereunder or under any of the Transaction Documents.
Security	Means the security created or to be created by the Company to secure its Secured

Private and Confidential – For Private Circulation Only
Shelf Placement Memorandum for Issue of Secured Rated Listed
Redeemable Non-Convertible Debentures on a private placement basis
August 20, 2021

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	Obligations in respect of the Debentures.
Series	Any series of Debentures (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
Debt Instruments/ Debentures/ NCDs/ Securities	Secured, Rated, Listed, Redeemable, Non-Convertible Debentures issued / proposed to be issued pursuant to this Shelf Placement Memorandum.
Super Majority Debenture Holders	Debenture Holder(s) of an amount representing not less than 3/4th (Three Fourth) in value of the nominal amount then outstanding of the Debentures under all the Tranches (within all Tranches, all Series) of Debentures under the Issue collectively.
Supplemental Receivables Schedule	Shall mean each list of loan receivables provided by the Company to the Debenture Trustee from time to time (by way of a certificate or in any other agreed manner as agreed by trustee, identifying the further Receivables charged in favour of the Debenture Trustee). Each such Supplemental Receivables Schedule shall <i>ipso facto</i> form an integral part of the Deed of Hypothecation.
TDS	Tax Deducted at Source
Tranche	shall mean any tranche of Debentures issued, under which Debentures 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 Debentures shall be invited by the Issuer on a private placement basis.
Transaction Documents	The documents executed or to be executed in relation to the Issue of the Debentures and shall include the Trust Deed, the Trustee Agreement, this Shelf Placement Memorandum, Tranche Placement Memorandums, the Private Placement Offer cum Application Letter(s), the Deed of Hypothecation 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(n) of SEBI (Issue and Listing of Debt Securities) Regulations, 2008.

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

Private and Confidential – For Private Circulation Only
Shelf Placement Memorandum for Issue of Secured Rated Listed
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August 20, 2021

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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 Debentures 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 secured, rated, listed, redeemable, non-convertible debentures. 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.

Private and Confidential – For Private Circulation Only
Shelf Placement Memorandum for Issue of Secured Rated Listed
Redeemable Non-Convertible Debentures on a private placement basis
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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 Debentures 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.

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 Debentures 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 Debentures 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 DEBENTURE TRUSTEE

The Debenture Trustees are neither the borrowers nor principal debtors or guarantors of the monies paid/invested by eligible investors for the Debentures.

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.

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Shelf Placement Memorandum for Issue of Secured Rated Listed
Redeemable Non-Convertible Debentures on a private placement basis
August 20, 2021

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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.

ISSUE OF DEBENTURES IN DEMATERIALISED FORM

The Debentures will be issued in dematerialised form. The Issuer has made arrangements with the Depositories for the issue of the Debentures in dematerialised form. Investors will have to hold the Debentures in dematerialised form as per the provisions of the Depositories Act. The Issuer shall take necessary steps to credit the Debentures 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 Debentures 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 Debentures 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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Shelf Placement Memorandum for Issue of Secured Rated Listed
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August 20, 2021

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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 DEBENTURE TRUSTEE, CREDIT RATING AGENCY(IES),

Debenture Trustee to the Issue	Name: IDBI Trusteeship Services Limited  IDBI Trusteeship Services Ltd Regd office: Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai - 400 001 Corp office: Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai - 400 001 Tel: 022-40807008 Fax: 022-66311776 E-mail: itsl@idbitrustee.com Contact Person: Mr. Aditya Kapil, Vice President Website: https://idbitrustee.com/
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. Corp office: 4th Floor, Godrej Coliseum, Somaiya Hospital Road, Off. Eastern Express Highway, Sion (E), Mumbai - 400 022. Tel: 022- 6754 3456 Fax: 022- 6754 3457 E-mail: himanshu.shethia@careratings.com Contact Person: Mr. Himanshu Shethia Website: www.careratings.com

Private and Confidential – For Private Circulation Only
Shelf Placement Memorandum for Issue of Secured Rated Listed
Redeemable Non-Convertible Debentures on a private placement basis
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	Name: CRISIL Ratings Limited CRISIL an ISO 9001:2015 Certified Company 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 3342 3000 Fax: 022 3342 3001 E-mail: subhasri.narayanan@crsil.com Contact Person: Ms. Subhasri Narayanan Website: www.crisilratings.com
Registrar to the Issue	Name: Link Intime India Pvt. Ltd. LINKIntime 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: +91 22 49186000 Fax: +91 22 49186060 E-mail: ganesh.jadhav@linkintime.co.in Contact Person: Mr. Ganesh Jadhav, Asst. Vice President – Depository Operations Website: https://linkintime.co.in/
Legal Counsel	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: +91 (22) 2271 5600 Fax: +91 (22) 2267 0226 E-mail: shabnum.kajiji@wadiaghandy.com Contact Person: Ms. Shabnum Kajiji Website: NA
Statutory Auditors	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 is subject to shareholders approval. Once the shareholders' approval is received, the appointment shall be intimated to the Stock Exchange as well as the Debenture Trustee.
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. 10,945 Crore and a net profit of Rs. 391 Crore in the FY 2020-21 with total net worth of Rs. 7,716 Crore as at March 31, 2021. The Company is promoted by HDFC Bank Ltd. which has 95.11% shareholding in the Company as on March 31, 2021. The Company has been rated AAA/Stable by CARE and CRISIL for long term loans from banks as on March 31, 2021. The Company's capital adequacy ratio as on March 31, 2021 was 18.89%, as against minimum regulatory requirement of 15% for non-deposit accepting NBFCs. The asset quality of the Company remains healthy with Gross NPAs at 4.50% and Net NPAs at 3.08% as on March 31, 2021. During FY 20-21, the Company has disbursed loans amounting to Rs. 24,578 Crore.

The Company has 1,319 branches in 959 cities in India as on March 31, 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:

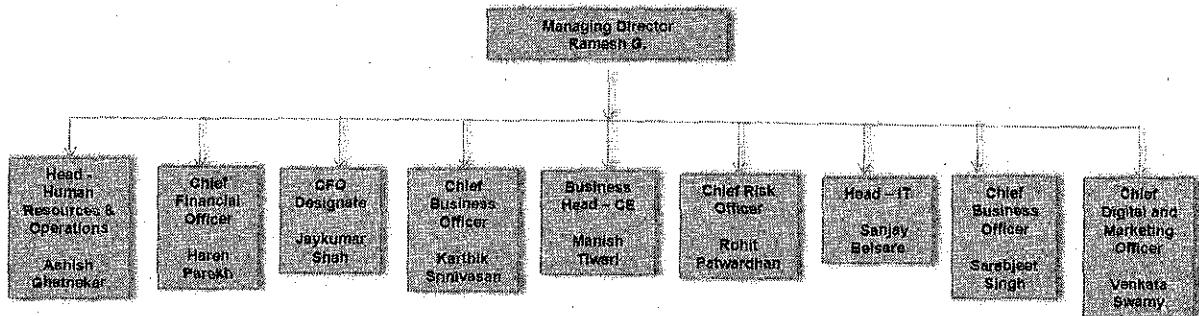
- Ashish Ghatnekar, Head - Human Resources & Operations
- Haren Parekh, Chief Financial Officer
- Jaykumar Shah, CFO Designate
- Karthik Srinivasan, Chief Business Officer
- Manish Tiwari, Business Head - CE
- Rohit Patwardhan, Chief Risk Officer
- Sanjay Belsare, Head - IT
- Sarabjeet Singh, Chief Business 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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Redeemable Non-Convertible Debentures on a private placement basis
August 20, 2021

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



(ii) 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 TVs, refrigerators, air conditioners, washing machines and much more.
- ii. **Digital Products Loans**- HDB's digital product loans are offered to customers to help fund their basic to high-end
- 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 from HDB 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 the 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.
- 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.

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- 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** - With a loan against securities, HDB ensures that customers can meet their immediate cash requirements by pledging their investments or securities like insurance policy, debt instruments and Bonds with the company 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.
- 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, your 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 your Company for insurance distribution, the Company has tie ups with "HDFC Life Insurance co. Ltd." and "Aditya Birla Sun life insurance".

In the Non-Life insurance space, your Company has tie ups with "HDFC Ergo General Insurance co. Ltd" and "Tata AIG General Insurance Co. 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.
- (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.

Private and Confidential – For Private Circulation Only
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(iii) Infrastructure

The Company's IT hardware is housed in data centres in Bengaluru and Mumbai with centralised operations based at Hyderabad, Chennai and Noida. To strengthen its internal processes, 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				
Liabilities				
Financial Liabilities				
(a)	Trade payables			

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(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	-	-	-
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

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(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			
	(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

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	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
	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:

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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.

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

For Financial Sector Entities:

Particular	Standalone		
	Mar-21	Mar-20	Mar-19
Balance Sheet			
Net Fixed assets	99.50	133.61	123.03
Current assets	21,360.63	20,485.44	18,240.95
Non-current assets	41,180.93	40,095.41	37,343.00
Total assets	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)	34,875.04	31,913.87	29,135.00
Provisions	37.61	62.25	25.27
Deferred tax liabilities (net)	-	-	-
Other non-current liabilities	553.08	348.66	335.85
Current Liabilities (including maturities of long-term borrowings)			
Financial (borrowings, trade payables, and other financial liabilities)	15,860.69	18,040.21	16,365.01
Provisions	282.24	224.61	242.93
Current tax liabilities (net)	173.05	74.60	56.12
Other current liabilities	2,413.11	2,032.46	2,368.32
Equity (equity and other equity)	8,446.24	8,017.80	7,178.48
Total equity and liabilities	62,641.06	60,714.46	55,706.98
Profit and Loss			
Total revenue	10,944.78	10,756.47	8,724.81

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From operations	10,904.74	10,737.69	8,691.88
Other income	40.04	18.78	32.93
Total Expenses	10,444.07	9,291.99	7,000.75
Total comprehensive income (total revenue- total expense)	500.71	1,464.48	1,724.06
Profit / loss after tax	391.47	1,004.85	1,153.24
Other comprehensive income	-13.45	-55.03	-3.43
Total Comprehensive income for the year	378.02	949.82	1,149.81
Earnings per equity share: (a) basic; and (b) diluted			
Continuing operations (Basic) in Rs.	4.97	12.78	14.71
Continuing operations (Diluted) in Rs.	4.97	12.77	14.69
Discontinued operations			
Total Continuing and discontinued operations	378.02	949.82	1,149.81
Cash Flow			
Net cash generated from operating activities	-403.53	-3031.88	-8990.88
Net cash used in /generated from investing activities	131.38	-1203.89	-180.61
Net cash used in financing activities	669.71	4257	9444.6
Cash and cash equivalents	355.95	334.72	61.61
Balance as per statement of cash flows	753.51	355.95	334.72
Additional Information			
Net worth	7,716.25	7,602.18	6,793.52
Cash and Cash Equivalents	753.51	355.95	334.72
Current Investments	1,592.90	1,745.76	568.36
Assets Under Management	61,561	58,833	55,425
Off Balance Sheet Assets	128.84	195.58	144.96
Total Debts to Total assets	0.80	0.82	0.81
Debt Service Coverage Ratios [(Cash Profit after tax + interest paid) / interest paid]	1.13	1.27	1.36
Interest Income	8,487.88	8,233.47	6,712.12
Interest Expense	3,882.93	4,081.42	3,333.33
Interest service coverage ratio [(Cash Profit after tax + interest paid) / interest paid]	1.13	1.27	1.36
Provisioning & Write-offs	3,068.77	1,441.57	636.94
Bad debts to Account receivable ratio	0.05	0.04	0.02
Gross NPA (%)	4.50%	3.87%	1.83%
Net NPA (%)	3.08%	3.12%	1.24%
Tier I Capital Adequacy Ratio (%)	13.44%	13.96%	12.78%
Tier II Capital Adequacy Ratio (%)	5.45%	5.40%	5.13%

Key Operational and Financial Parameters on a Consolidated Basis:

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.

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Shelf Placement Memorandum for Issue of Secured Rated Listed
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(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

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

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. June 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. June 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
30-05-2018	4,500	10	Cash	Series 8C – 88/-	ESOS Exercise	78,29,40,756	782,94,07,560	28,57,58,52,609	For cash on account of ESOP allotment
04-12-2018	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	78,57,00,306	785,70,03,060	28,93,82,05,459	For cash on account of ESOP allotment
13-09-2019	1,68,700	10	Cash	Series 8C – 88/- Series 9B – 137/- Series 10A – 213/-	ESOS Exercise	78,58,69,006	785,86,90,060	28,96,41,71,859	For cash on account of ESOP allotment
11-12-2019	17,10,650	10	Cash	Series 9C – 137/- Series 10A – 213/- Series 10B – 213/-	ESOS Exercise	78,75,79,656	787,57,96,560	292,54,34,2609	For cash on account of ESOP allotment
18-11-2020	2,50,890	10	Cash	Series 10B – 213/- Series 11A – 274/-	ESOS Exercise	78,78,30,546	787,83,05,460	29,31,87,29,269	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	78,88,71,646	788,87,16,460	29,53,03,53,169	For cash on account of ESOP allotment
25-02-2021	3,11,220	10	Cash	Series 10A – 213/- Series 10B – 213/- Series 10C – 213/-	ESOS Exercise	78,91,82,866	789,18,28,660	29,60,64,76,249	For cash on account of ESOP allotment

Private and Confidential – For Private Circulation Only
Shelf Placement Memorandum for Issue of Secured Rated Listed
Redeemable Non-Convertible Debentures on a private placement basis
August 20, 2021

Shelf Placement Memorandum issued in conformity with 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.

				Series 11A - 274/- Series 11B - 274/- Series 10C - 213/-	ESOS Exercise	7891,85,216	789,18,52,16 0	29,60,69,53,299	For cash on account of ESOP allotment
16-03-2021	2,350	10	Cash						

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., June 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%

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 June 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 Gratuity 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:

Private and Confidential – For Private Circulation Only
Shelf Placement Memorandum for issue of Secured Rated Listed
Redeemable Non-Convertible Debentures on a private placement basis
August 20, 2021

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Name, Designation and DIN	Age (in years)	Address	Date of Appointment	Details of other directorship	Whether Wilful 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	No
Ms. Smita Affinwalla, Independent Director DIN - 07106628	58	7A, A Block, 3rd Floor, Khalakdina Terrace, August Kranti Marg, Mumbai- 400 036	12.03.2015	1. Avameh Consulting Private Limited 2. Illuminos Consulting Private Limited 3. Prime Securities Limited 4. Micro Units Development & Refinance agency Limited	No
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 Director 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. Adayapalam Viswanathan, Independent Director DIN - 08518003	63	1502 Godrej Serenity, Deonar, 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 internal policy
2.	Mr. Bhavesh Zaveri, Director	01/05/2016	-	28/11/2019	Resigned due to pre-occupation

Private and Confidential – For Private Circulation Only
Shelf Placement Memorandum for Issue of Secured Rated Listed
Redeemable Non-Convertible Debentures on a private placement basis
August 20, 2021

Shelf Placement Memorandum issued in conformity with 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.

Sr. No.	Name, Designation and DIN	Date of Appointment	Date Cessation, if applicable	Date of resignation, if applicable	Remarks
	DIN - 01550468				
3.	Dr. Amla Samanta, Independent Director DIN - 00758883	01/05/2019	-	-	-
4.	Mr. A K Viswanathan, Independent Director DIN - 08518003	24/07/2019	-	-	-
5.	Mr. Aditya Puri DIN - 00062650	01/05/2016	-	05/11/2020	Resigned due to HDFC Bank's internal policy

(iii) Auditors of the Company

a) Following details regarding the auditors of the Company:

Name	Address	Auditor since
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 is pending approval of shareholders. Once the shareholders' approval is received, the appointment shall be intimated to the Stock Exchange as well as the Debenture Trustee.		

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	-

(iv) Details of the following liabilities of the Issuer, as at the end of the last quarter i.e. June 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)	Repayment Schedule	Date /
Indian Bank (e-Allahabad Bank)	Term Loan	500.00	333.33	Quarterly repayment	
Axis Bank	Term Loan	400.00	400.00	Bullet repayment	
Bank Of Baroda	Term Loan	1,000.00	550.00	Bullet repayment	
BNP Paribas	Term Loan	200.00	200.00	Bullet repayment	
Canara Bank	Term Loan	2,500.00	1,014.58	Quarterly repayment	

Private and Confidential – For Private Circulation Only
Shelf Placement Memorandum for Issue of Secured Rated Listed
Redeemable Non-Convertible Debentures on a private placement basis
August 20, 2021

Shelf Placement Memorandum issued in conformity with 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.

Central Bank Of India	Term Loan	750.00	520.83	Quarterly repayment
Deutsche Bank	Term Loan	675.00	645.83	Bullet payment
Federal Bank	Term Loan	900.00	312.44	Half yearly repayment
HDFC Bank	Term Loan	10,600.00	5,365.91	Quarterly repayment
HSBC	Term Loan	1,300.00	1,060.00	Quarterly repayment
Indian Bank	Term Loan	700.00	466.67	Quarterly repayment
IndusInd Bank	Term Loan	740.00	740.00	Quarterly repayment
J & K Bank	Term Loan	250.00	165.00	Quarterly repayment
J P Morgan Bank	Term Loan	500.00	500.00	Bullet payment
Karnataka Bank	Term Loan	450.00	299.77	Yearly repayment
Kotak Mahindra Bank	Term Loan	800.00	600.00	Yearly repayment
Karur Vysya Bank	Term Loan	125.00	62.50	Quarterly repayment
Union Bank Of India	Term Loan	1,000.00	716.67	Quarterly repayment
Punjab National Bank (e-United Bank Of India)	Term Loan	500.00	333.33	Quarterly repayment
State Bank of India	Term Loan	2,000.00	0.00	-
International Finance Corporation	External Commercial Borrowing	975.00	975.00	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	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				

c) Details of Outstanding Non-Convertible Securities:

Details of NCDs (including Market Linked Debentures)

Private and Confidential – For Private Circulation Only
Shelf Placement Memorandum for Issue of Secured Rated Listed
Redeemable Non-Convertible Debentures on a private placement basis
August 20, 2021

Shelf Placement Memorandum issued in conformity with 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.

Series of NCS	Tenor / Period of Maturity	Coupon (%)	Amount in crore	Date of Allot- ment	Redemption Date/ Sched- ule
Series 2018 A/1/120_Option 1	1106	8.8100	215.00	27-06-2018	07-07-2021
Series 2018 A/1(FO)/121	1097	Linked to 91 days T-bill benchmark Rate	575.00	11-07-2018	12-07-2021
Series 2018 A/1(FX)/123	1105	8.8217	552.00	31-08-2018	09-09-2021
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_INE756I07C18 (Further Issuance I)	1201	Zero Coupon	361.20	21-12-2018	05-04-2022
Series 2019 / 131 - Series 2018 A/0(ZC)/ 128_INE756I07C18 (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_INE756I07C18 (Further Issuance III)	1139	Zero Coupon	111.00	21-02-2019	05-04-2022
Series 2019 / 133 - Series 2018 A/0(ZC)/ 128_INE756I07C18 (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 2018 A/1/120_Op- tion 1_INE756I07BY7 (Further Issuance I)	685	8.8100	325.00	22-08-2019	07-07-2021
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
Series 2020 / 149 - Series 2018 A/1/120_Op-	524	8.8100	250.00	30-01-2020	07-07-2021

Private and Confidential – For Private Circulation Only
Shelf Placement Memorandum for Issue of Secured Rated Listed
Redeemable Non-Convertible Debentures on a private placement basis
August 20, 2021

Shelf Placement Memorandum issued in conformity with 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.

tion 1_ INE756I07BY7 (Further Issuance II)					
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 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

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 AAA/Stable by CRISIL.

Private and Confidential – For Private Circulation Only
Shelf Placement Memorandum for Issue of Secured Rated Listed
Redeemable Non-Convertible Debentures on a private placement basis
August 20, 2021

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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
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. in crore)	Date of Allotment	Redemption Date/ Schedule
Series 2018 P/1/1	Perpetual	9.4	200.00	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	1000.00	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	100.00	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	100.00	29-11-2019	Perpetual, unless call option is exercised any time after 10 years from the Deemed Date of Allotment

Private and Confidential – For Private Circulation Only
Shelf Placement Memorandum for Issue of Secured Rated Listed
Redeemable Non-Convertible Debentures on a private placement basis
August 20, 2021

Shelf Placement Memorandum issued in conformity with 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.

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

- 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 crores)	% of total NCS outstanding
1	HDFC Bank Ltd	3770.00	13.61
2	Aditya Birla Sun Life Mutual Fund	1802.60	6.51
3	Kotak Mahindra Mutual Fund	1628.00	5.88
4	ICICI Prudential Mutual Fund	1110.20	4.01
5	Wipro Limited	1015.00	3.66
6	State Bank Of India	994.00	3.59
7	HDFC Life Insurance Company Limited	980.00	3.54
8	Union Bank Of India	935.00	3.37
9	National Pension System (Nps) Trust	735.00	2.65
10	Axis Mutual Fund	688.00	2.48

- 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
196	INE756I14CV7	06-08-21	100
197	INE756I14CW5	18-11-21	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							

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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Shelf Placement Memorandum for Issue of Secured Rated Listed
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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 Debentures or the investor's decision to invest / continue to invest in the Debentures. 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 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,

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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 Bhuva. Pursuant to the Order, the Adjudicating Officer has levied a monetary penalty of Rs.1,500,000 on Mr. Renish Hareshbhai Bhuva 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 Bhuva, except in his capacity as a customer of the Bank.

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

None

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

The Debenture Trustee of the proposed Issue is IDBI Trusteeship Services Limited. IDBI Trusteeship Services Limited has given its written consent for its appointment as debenture 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 Debenture Holders. The consent letter from Debenture Trustee is provided in Annexure I of this Shelf Placement Memorandum.

Private and Confidential – For Private Circulation Only
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- (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

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.

Actual/ Actual

- 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
1.	Details with regard to the lending done by the issuer out of the issue proceeds of debt securities in last three years, including detail regarding the following:	
1.1	Lending policy: Should contain overview of origination, risk management, monitoring and collections	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. 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 deviation 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. 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 also oversees the Compliance, Human resources and operational risks and also reviews the controls and processes in place which ensure timely and correct statutory reporting. 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 a quarterly basis and the committee focuses on ensuring that risks are identified, and key risks impacting the organization are addressed. Credit risk, Interest rate risk, Liquidity risk, operational risk, compliance risk and technology & information security 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.

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		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 <table><tr><th>Sr. No</th><th>Type Of Loans</th><th>FY18-19</th><th>FY19-20</th><th>FY20-21</th></tr><tr><td>1</td><td>Secured</td><td>68.11%</td><td>59.02%</td><td>63.88%</td></tr><tr><td>2</td><td>Unsecured</td><td>31.89%</td><td>40.98%</td><td>36.12%</td></tr><tr><td></td><td>Total</td><td>100.00%</td><td>100.00%</td><td>100.00%</td></tr></table> 2. Denomination of loans disbursed (Secured) by loan-to-value: <table><tr><th>Sr. No</th><th>LTV</th><th>FY18-19</th><th>FY19-20</th><th>FY20-21</th></tr><tr><td>1</td><td>Upto 50%</td><td>18.98%</td><td>17.40%</td><td>16.77%</td></tr><tr><td>2</td><td>50-70%</td><td>18.59%</td><td>20.19%</td><td>17.75%</td></tr><tr><td>3</td><td>70-90%</td><td>41.03%</td><td>46.15%</td><td>54.57%</td></tr><tr><td>4</td><td>Above 90%</td><td>21.40%</td><td>16.26%</td><td>10.91%</td></tr><tr><td></td><td>Total</td><td>100.00%</td><td>100.00%</td><td>100.00%</td></tr></table> 3. Top 5 Industry exposures- Disbursals : <table><tr><th>Sr No</th><th colspan="2">FY 18-19</th><th colspan="2">FY19-20</th><th colspan="2">FY20-21</th></tr><tr><th></th><th>Industry</th><th>% to Total</th><th>Industry</th><th>% to Total</th><th>Industry</th><th>% to Total</th></tr><tr><td>1</td><td>Road Transportation</td><td>29.42</td><td>Road Transportation</td><td>24.86</td><td>Road Transportation</td><td>23.26</td></tr><tr><td>2</td><td>Retail Trade</td><td>16.98</td><td>Retail Trade</td><td>21.59</td><td>Retail Trade</td><td>17.39</td></tr><tr><td>3</td><td>Agriculture and Allied Activities</td><td>6.17</td><td>Agriculture and Allied Activities</td><td>6.74</td><td>Agriculture and Allied Activities</td><td>9.46</td></tr><tr><td>4</td><td>Construction and Developers (Infrastructure)</td><td>4.66</td><td>Services</td><td>4.24</td><td>Services</td><td>7.75</td></tr><tr><td>5</td><td>Services</td><td>4.04</td><td>Non-ferrous Metals</td><td>3.87</td><td>Construction and Developers</td><td>4.21</td></tr></table> 4. Denomination of loans by ticket size - Disbursals <table><tr><th>Sr. No</th><th>Ticket size (at the time of origination)</th><th>FY18-19</th><th>FY19-20</th><th>FY20-21</th></tr><tr><td>1</td><td>Upto Rs.2 Lakh</td><td>17.76%</td><td>26.41%</td><td>26.92%</td></tr><tr><td>2</td><td>Rs.2-5 lakh</td><td>21.76%</td><td>25.06%</td><td>26.83%</td></tr><tr><td>3</td><td>Rs. 5- 10 lakh</td><td>11.96%</td><td>13.13%</td><td>16.69%</td></tr><tr><td>4</td><td>Rs. 10-25 lakh</td><td>23.07%</td><td>20.45%</td><td>18.30%</td></tr><tr><td>5</td><td>Rs. 25-50 lakh</td><td>14.53%</td><td>7.79%</td><td>5.66%</td></tr><tr><td>6</td><td>Rs.50 lakh -1 crore</td><td>4.11%</td><td>3.02%</td><td>2.89%</td></tr></table>				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%	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%	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	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%
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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.																																																					
		<table><tr><th>Sr. No</th><th>Tenor Wise Grouping</th><th>FY18-19</th><th>FY19-20</th><th>FY20-21</th></tr><tr><td>1</td><td>Upto 1 Year</td><td>9.15%</td><td>13.05%</td><td>11.66%</td></tr><tr><td>2</td><td>1-3 Year</td><td>34.59%</td><td>38.94%</td><td>39.65%</td></tr><tr><td>3</td><td>3-5 Year</td><td>39.94%</td><td>35.65%</td><td>40.43%</td></tr><tr><td>4</td><td>Above 5 Year</td><td>16.32%</td><td>12.36%</td><td>8.26%</td></tr><tr><td></td><td>Total</td><td>100.00%</td><td>100.00%</td><td>100.00%</td></tr></table>				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%																				
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	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 RBI in its stipulations on Corporate Governance for NBFCs, from time to time:	<table><tr><th>Particulars</th><th>FY18-19</th><th>FY19-20</th><th>FY20-21</th></tr><tr><td>Share of Top 20 borrowers to</td><td></td><td></td><td></td></tr><tr><td>Total Disbursements during the year</td><td>1.07%</td><td>0.42%</td><td>0.43%</td></tr></table>			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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Total Disbursements during the year	1.07%	0.42%	0.43%																																																				
1.5	Details of loans, overdue and classified as non-performing in accordance with RBI	(amount in crores) <table><tr><th colspan="3">Stage3 Assets as on</th></tr><tr><th>March 31, 2019</th><th>March 31, 2020</th><th>March 31, 2021</th></tr><tr><td>1,000.38</td><td>2,259.13</td><td>2,760.86</td></tr></table>			Stage3 Assets as on			March 31, 2019	March 31, 2020	March 31, 2021	1,000.38	2,259.13	2,760.86																																										
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	stipulations				
2.	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 statements of the Issuer	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%	
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			

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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-June-2021-signed.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. 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

3. Sectoral exposure:

Sl 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	MF1	0.00%
E	MSME	26.27%
F	Capital Market funding (loan against shares, margin funding)	-
G	Others	9.17%
2	Wholesale	
A	Infrastructure	-

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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%

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
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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:

SI 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	
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 crores)

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

- a. 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
- b. 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 Debenture 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 Debenture 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 Debentures 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;

The Debenture trustee shall submit a due diligence certificate to the stock exchange in the format as specified in Schedule IV of the SEBI Debt Listing Regulations. The stock exchange shall list the debt securities only upon receipt of the aforementioned due diligence certificate from the Debenture Trustee.

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Shelf Placement Memorandum for Issue of Secured Rated Listed
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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 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.
- b. **Issue/instrument specific regulations:** The Debentures are governed by and will be construed in accordance with the Indian law. The Company, the Debentures and Company's obligations under the Debentures 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 'Additional 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 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:

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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 Secured, Rated, Listed, Redeemable Non-Convertible Debentures aggregating up to Rs. 8,654,90,00,000 /-.
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 is pending approval of shareholders. Once the shareholders' approval is received, the appointment shall be intimated to the Stock Exchange as well as the Debenture Trustee.
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) and creation of charge on the assets of the Company under Section 180(1)(a) of the Companies Act, 2013.
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 Secured, Rated, Listed, Redeemable Non-Convertible Debentures under Debenture Trust Deed dated May 24, 2021 between the Debenture Trustee and the Company in one or more series/tranches, aggregating up to Rs. 7500 crore-
6. Credit Rating Letter dated July 28, 2021 and August 13, 2021 and Rating Rationale dated July 16, 2021 and August 13, 2021 from CARE Rating Limited and CRISIL Ratings Limited respectively, assigning the credit rating to the Debentures.
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 IDBI Trusteeship Services Limited dated May 24, 2021 to act as the Debenture 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 Debentures.
11. Debenture Trust Deed executed with IDBI Trusteeship Services Ltd. dated May 24, 2021 as amended by the amendment deed dated August 18, 2021.
12. Trustee Agreement executed with IDBI Trusteeship Services Ltd. dated May 24, 2021 as amended by the amendment deed dated August 18, 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.
- l. **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.

Private and Confidential – For Private Circulation Only
Shelf Placement Memorandum for Issue of Secured Rated Listed
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SECTION M

OTHER TERMS PERTAINING TO THE ISSUE

Nature

The Debentures are to be issued in the form of taxable secured redeemable non-convertible debentures.

Form

The Debentures 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 Debentures 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 Debentures. 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 Debentures 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: Coupon for each of the interest periods shall be computed on an actual/actual basis on the outstanding principal amount on the relevant Tranche/Series of Debentures at the applicable Coupon Rate.

(c) Payment of Coupon: Payment of Coupon on the Debentures will be made to those of the Debenture Holder(s) whose name(s) appear in the register of Debenture 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 Debentures in dematerialized form on such Record Date, and are eligible to receive Coupon. The first Coupon payment due in respect of any Tranche/Series shall be for the period calculated from the Deemed Date of Allotment till the end of the month/quarter/half year/full year /other frequency as per the respective Tranche Placement Memorandum and the last Coupon payment due in respect of any Tranche/Series shall be for the period calculated from the preceding interest payment date till the Redemption Date and shall be paid along with the redemption payments towards principal. Other Coupon payments will be paid at the end of the month/quarter/half year/full year /other frequency as per the respective Tranche Placement Memorandum. The interest periods applicable in respect of each Tranche/Series shall be specified in the Tranche Placement Memorandum issued in respect of such Tranche/Series.

Private and Confidential – For Private Circulation Only
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Tax Deduction at Source (TDS)

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

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 coupon payment on Final Redemption/Early Redemption as the case may be. 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 Debentures as per records on the Record Date/Early Redemption 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/Early Redemption Date, as applicable.

Transferability

The Debentures issued will be freely transferable and transmittable. The Debentures 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 Debentures 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 Debentures of each Tranche/Series shall be redeemed at such price, at the expiry of the tenor and/or at the exercise of put/call option, if any, as mentioned in the respective Tranche Placement Memorandum.

The Company shall compute the redemption proceeds to be paid to the Debenture Holder(s) of each Tranche/Series based on the respective Tranche Placement Memorandum. The Company's liability to the Debenture Holders of any Tranche/Series in respect of all their rights including for payment or otherwise shall cease and stand extinguished after maturity of that Tranche/Series, in all events save and except for the Debenture Holder's right of redemption. Upon dispatching the payment instrument towards payment of the redemption amount in respect of the Debentures 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 Debentures 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 Debentures 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 Debentures or the last survivor, in case of joint holders for the time being, the Issuer shall recognize the executor or administrator of the deceased Debenture Holder, or the holder of succession certificate or other legal representative as having title to the Debentures. 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

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Shelf Placement Memorandum for Issue of Secured Rated Listed
Redeemable Non-Convertible Debentures on a private placement basis
August 20, 2021

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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 Debentures standing in the name of the deceased Debenture Holder on production of sufficient documentary proof or indemnity.

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 Debenture Holder(s)

Debenture Holder is not a shareholder. The Debenture 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 Debentures will be paid to the registered Debenture Holders only, and in case of joint holders, to the one whose name stands first. Besides, the Debentures shall be subject to the provisions of the terms of the Disclosure Documents and other terms and conditions as may be incorporated in the Debenture Trustee Agreement, the Debenture Trust Deed, the Deed of Hypothecation and other documents that may be executed in respect of the Debentures.

Record Date

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

Mode of Transfer/Transmission of Debentures

The Debentures shall be transferable freely; however, it is clarified that no investor shall be entitled to transfer the Debentures to a person who is not entitled to subscribe to the Debentures. The Debenture(s) shall be transferred and/or transmitted in accordance with the applicable provisions of the Act and the applicable law. The Debentures 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 Debenture 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 Debentures 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 Debentures therein, or (ii) otherwise induces the Company to allot or register any transferor of Debentures 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 Debentures in dematerialised form. The investors shall hold these Debentures 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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Shelf Placement Memorandum for Issue of Secured Rated Listed
Redeemable Non-Convertible Debentures on a private placement basis
August 20, 2021

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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 Debentures 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 Debentures 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.

The securities listed by the Company under the terms of the respective transaction documents be redeemed before maturity date by the Company, as per the financial or other terms as may have been mutually agreed upon between the Company and the Debenture Holder. The said redemption maybe done either on a pro rata basis or by lot or by any other manner whatsoever, as the Company may deem fit.

In this regard, the Company shall be entitled to:

1. add such 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 terms of securities under the respective issues existing under the said ISIN.
2. select any of the listed securities in the ISIN for redemption as the Company may solely deem fit either by pro rata basis or by lot or by any other manner whatsoever, as the Company may deem fit, before maturity, from time to time.

Future Borrowings

The Company shall be entitled, from time to time, to make further issue of Debentures 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 Debenture holders.

Rights of Debenture Holders

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

Debentures in Dematerialised Form

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

Private and Confidential – For Private Circulation Only
Shelf Placement Memorandum for Issue of Secured Rated Listed
Redeemable Non-Convertible Debentures on a private placement basis
August 20, 2021

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Modification of Rights

The Trustee shall concur with the Company (without requiring any approval of the Debenture 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 Debenture Holder(s), and to any modification of the terms of the Debentures 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 Debentures or the Transaction Documents shall require approval by the Debenture Holder(s) as set out in the Schedule II (Provisions for the meetings of the Debenture Holder(s)) of the Debenture 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.

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 Debenture Holders; or
- b. default in redemption of Debentures.

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 Debenture Holder, the Company will recognize the executor or administrator of the deceased Debenture Holder, or the holder of succession certificate or other legal representative as having title to the Debentures. 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 Debentures, 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 Debentures standing in the name of the deceased Debenture Holder on production of sufficient documentary proof or indemnity.

Debenture Trust Deed

The Debentures to be issued under the terms of this Shelf Placement Memorandum shall be governed by the terms of the Debenture Trust Deed dated May 24, 2021 executed by and between the Company and the Debenture Trustee as amended by the amendment deed dated August 18, 2021. A copy of the Debenture Trustee Deed is available with the Debenture 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 Debentures.

In case the Issuer has received money from the applicants for Debentures in excess of the aggregate of the application money relating to the Debentures 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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Shelf Placement Memorandum for Issue of Secured Rated Listed
Redeemable Non-Convertible Debentures on a private placement basis
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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 Debentures 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	Secured, Rated, Listed, Redeemable, Non-convertible Debentures.
Nature of Instrument	Secured
Seniority	Senior
Mode of Issue	Private placement
Eligible Investors	Please refer paragraph "Who can apply" of this Shelf Placement Memorandum
Listing	The Debentures 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 Debentures beyond 4 (Four) trading days from the respective Issue Closing Date, the Company shall (i) make payment to the Debenture Holders of 1% (One Percent) per annum over the Coupon Rate from the Deemed Date of Allotment till the listing of such Debentures; 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 of the Debentures.
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 long term Non-Convertible Debenture issue programme aggregating upto Rs.7500 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. 7500,00,00,000/- (Rupees Seven Thousand Five Hundred Crore only) of the Face Value of Rs.10,00,000/- (Rupees Ten Lakh Only) each which Issue shall comprise of one or more Tranches of Debentures.
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	As per the relevant Tranche Placement Memorandum
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	

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Shelf Placement Memorandum for Issue of Secured Rated Listed
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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.
Coupon Rate	As per the relevant Tranche Placement Memorandum
Step Up/Step Down Coupon Rate	As per the relevant Tranche Placement Memorandum
Coupon Payment Frequency	As per the relevant Tranche Placement Memorandum
Coupon Payment Dates	As per the relevant Tranche Placement Memorandum
Coupon Type	Fixed
Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc.).	As per the relevant Tranche Placement Memorandum
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 Debentures under the respective Tranche/ Series 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 Allotment.
Default Interest Rate	In case of default in payment of Coupon and/ or redemption of the principal amount of the Debentures 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. 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 Debenture Holders, over and above the Coupon Rate, till the execution of the Trust Deed.
Tenor	As per the relevant Tranche Placement Memorandum
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

Private and Confidential – For Private Circulation Only
Shelf Placement Memorandum for Issue of Secured Rated Listed
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August 20, 2021

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Call Option Price	As per the relevant Tranche Placement Memorandum
Put Notification Time	As per the relevant Tranche Placement Memorandum
Call Notification Time	As per the relevant Tranche Placement Memorandum
Rollover Option	As per the relevant Tranche Placement Memorandum
Face Value	Rs. 10,00,000/- (Rupees Ten Lakhs Only) per Debenture
Minimum Application and in multiples of __ Debt securities thereafter	10 Debentures and in multiples of 1 Debenture 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	As per the relevant Tranche Placement Memorandum 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 Debentures will be available to the investors from the respective Deemed Date(s) of Allotment. The actual allotment of Debentures 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. 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	The pay-in of subscription monies for the Debentures 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. For amounts payable by the Issuer to any Debenture 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 Debenture Holder shall be the mode of settlement.
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	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.

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Shelf Placement Memorandum for Issue of Secured Rated Listed
Redeemable Non-Convertible Debentures on a private placement basis
August 20, 2021

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	If the Maturity Date / 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.
Disclosure of Interest/Dividend / redemption dates	As per the relevant Tranche Placement Memorandum
Record Date	The date which will be used for determining the Debenture 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 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.	<u>Description of Security</u> The Debentures being issued under the Disclosure Documents shall be secured through first and exclusive charge by hypothecation over the specific identified receivables of the Issuer or such other security as may be identified by the Company as set out in the Debenture Trust Deed and/ or the Deed of Hypothecation. <u>Asset Cover and its maintenance</u> The Company shall, during the currency of the Debentures, maintain a minimum asset cover which shall be 1.10 (One decimal point One Zero) times of the outstanding principal amount and the accrued Coupon, or such other asset cover as may be required in relation to a particular Tranche under the relevant Tranche Placement Memorandum ("Asset Cover"). Each time a new Tranche of the Debentures is proposed to be issued, the Company shall, prior to the issue of such new Tranche of the Debentures, provide the Trustee with a Supplemental Receivables Schedule identifying the aggregate Receivables that are charged in favour of the Trustee so as to maintain the required Asset Cover in accordance with the terms of the Debenture Trust Deed or the relevant Tranche Placement Memorandum. Each Supplemental Receivables Schedule shall form an integral part of the Deed of Hypothecation and a first ranking and exclusive continuing charge in the nature of a hypothecation shall be deemed to be <i>ipso facto</i> created and perfected over the receivables identified and set out therein, without requiring any further act to be done by the Company. Within 30 (Thirty) days from the end of each financial quarter or at such other time as may be necessary, the Company shall deliver to the Trustee, the Supplemental Receivables Schedule duly certified by a practicing chartered accountant and the managing director of the Company of aggregate receivables hypothecated on exclusive basis in favour of the Trustee which shall provide requisite Asset Cover on the outstanding Debentures and shall certify its value. It is clarified that if the value of the Hypothecated Assets identified under Schedule I of the Deed of Hypothecation and in the Supplemental Receivables Schedules (as defined in the Deed of Hypothecation) submitted from time to time gets diminished, the Company shall within 30 (Thirty) calendar days from the end of each financial quarter ("Top-Up Date") also provide the Trustee with a Supplemental Receivables Schedule identifying further Receivables (i.e. an updated list of the Loans comprising the Receivables on quarterly basis along with such other certifications in respect of the Loans constituting the Receivables as may be required by Trustee) so as to maintain the Asset Cover in accordance with the terms of the Trust Deed or the relevant Tranche Placement Memorandum. Pursuant to the Top-up, the Company shall take all steps necessary to perfect such secu-

Private and Confidential – For Private Circulation Only
Shelf Placement Memorandum for Issue of Secured Rated Listed
Redeemable Non-Convertible Debentures on a private placement basis
August 20, 2021

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	ity at its own cost including filing the necessary forms for recording the modification of the charge with the applicable registrar of companies. Any substitution, addition and/or replacement of the Hypothecated Assets shall be made under the terms of the Deed of Hypothecation. The Company hereby undertakes that the Receivables on which charge has been created are free from any encumbrances. <u>Release of Excess Hypothecated Assets</u> Notwithstanding anything contained in the Deed of Hypothecation, in the event that the Hypothecated Assets are of a book value greater than that required for the maintenance of the Asset Cover, the Company shall be entitled to require the Trustee to release the excess Hypothecated Assets such that the Hypothecated Assets remaining after such release would be sufficient for maintenance of the Asset Cover ("Released Assets"). The Company shall, for such release, issue a letter to the Trustee substantially in the format set out in Schedule II of the Deed of Hypothecation describing the Hypothecated Assets to be released ("Release Request Letter"). The Trustee shall effectuate such release by issuing a no objection letter in response to the Release Request Letter and shall also, if requested by the Company execute all such documents as may be required for such release. The Release Request Letter shall be accompanied by a certificate from the independent chartered accountant of the Company confirming to the Debenture Trustee in writing the amount of Released Assets and that the Asset Cover Ratio shall be maintained post such excess release. The Debenture Trustee shall not be required to provide any notice to or obtain any consent of the Debenture Holders for issuing the non-objection letter and releasing the excess Hypothecated Assets under the terms hereof. The Trustee shall not be liable for any consequences for having acted in terms hereof and having made such release. The Released Assets shall not be construed to be a part of the Security and the Company shall be entitled to deal with the Released Assets in the manner it deems fit. <u>Creation and Perfection</u> The Company shall execute Debenture Trust Deed and Deed of Hypothecation prior to listing of the Debentures and perfect the same by filing requisite forms with ROC within 30 (Thirty) days, or such other time as permitted under Applicable Law, of creation of charge. The Issuer shall cooperate with the Trustee to enable it to make necessary filings in connection with the creation of Security over the Hypothecated Assets with the CERSAI, within the timelines as specified under Applicable Law from the date of creation of security over the Hypothecated Assets in respect of any Tranche/ Series. The Debentures shall be considered to be secured only in the event the Hypothecated Assets are registered with the relevant ROC or CERSAI or Depository, as applicable or is independently verifiable by the Trustee. <u>Due Diligence</u> The Trustee shall exercise independent due diligence to ensure that the Security is free from any encumbrances in accordance with the applicable circulars / notifications issued by the SEBI including under the provisions of the Securities and Exchange Board of India
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Private and Confidential – For Private Circulation Only
Shelf Placement Memorandum for Issue of Secured Rated Listed
Redeemable Non-Convertible Debentures on a private placement basis
August 20, 2021

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	(Debenture Trustees) Regulations, 1993 (as amended from time to time), and as also set out in detail under the terms of the Debenture Trustee Agreement.
Transaction Documents	This Shelf Placement Memorandum, Tranche Placement Memorandum, Deed of Hypothecation, Debenture Trust Deed, Debenture 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 Debenture 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	Details and purpose of the recovery expense fund: The Company shall create and maintain a recovery expense fund in the manner as specified in the SEBI Circular dated October 22, 2020 vide reference no. SEBI/HO/MIRSD/CRADT/CIR/P/2020/207 and as may be supplemented or amended from time to time, and inform the Debenture Trustee about the same. The recovery expense fund may be utilized by the Debenture Trustee upon occurrence of an Event of Default, for taking appropriate legal actions to enforce the Security in accordance with the relevant SEBI circulars.
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 Debenture Trustee	To oversee and monitor the overall transaction for and on behalf of the Debenture 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. Please also refer to "Governing law" provisions set out below.
Due Diligence Certificate	The Issuer shall submit the due diligence certificate provided by the Trustee, to BSE in accordance with the applicable SEBI regulations, including but not limited to the SEBI circular dated November 03, 2020 (bearing reference no SEBI/HO/MIRSD/CRADT/CIR/P/2020/218). Such due diligence certificate will be annexed to relevant Tranche Placement Memorandum for each Tranche/ Series.
Mode of bidding in the issue	As per the relevant Tranche Placement Memorandum
Manner of settlement	Through Indian Clearing Corporation Limited (ICCL)
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.10,00,000/- (Rupees Ten Lakhs Only) thereafter.
Terms and conditions of debenture trustee agreement including fees charged by debenture trustees(s), details of security to be created and process of due diligence carried out by the debenture trustee	Please refer to Annexure VI below.

Private and Confidential – For Private Circulation Only
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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 half-yearly 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
- c. While the debt securities are secured to the tune of 110% of the principal and interest amount or as per the terms of this Shelf Placement Memorandum, in favour of Debenture Trustee, it is the duty of the Debenture Trustee to monitor that the Security is maintained.

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 Debenture Holders), comply with the following covenants:

(a) Utilisation of proceeds of Debentures

The Company shall utilise the monies received upon subscription of the Debentures solely towards the purpose as identified in 'Objects of the Issue'. 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 Debentures have been fully utilized towards the 'Objects of the Issue'.

(b) Validity of Transaction Documents

The Company shall 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.

(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 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) Minimum Investment

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:

Private and Confidential – For Private Circulation Only
Shelf Placement Memorandum for Issue of Secured Rated Listed
Redeemable Non-Convertible Debentures on a private placement basis
August 20, 2021

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- (i) all laws, rules, regulations and guidelines as applicable in respect of the Debentures, including but not limited, to the following: (i) the Act; (ii) the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2008; (iii) the provisions of the listing agreement entered into by the Company with the stock exchange in relation to the Debentures; (iv) the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), and (v) 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 to the extent the same is required to be complied with by the Trustee or is required in order to enable the Trustee to comply with the same, 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, as may be applicable to the Company.
 - (iii) The Company shall, while submitting half yearly/ annual financial results to the Stock Exchange disclose *inter alia* the following line items along with the financial results accompanied by a certificate from the Trustee confirming that it has taken note of the said content and the same shall be communicated to the Debenture Holder(s) on a half-yearly basis:
 - A. Credit rating of the Issue and change in credit rating, if any;
 - B. Debt- equity ratio of the Company accompanied with a certificate of a practicing chartered accountant confirming the said debt-equity ratio;
 - C. Previous due date for the payment of interest/ repayment of principal and whether the same has been paid or not;
 - D. Next due date of payment along with the amount of interest/ principal along with the amount of interest payable;
 - E. Debenture Redemption Reserve (if applicable);
 - F. Net worth;
 - G. Net profit after tax;
 - H. Earnings per share; and
 - I. A statement indicating material deviations, if any in utilisation of the proceeds of the Debentures.
- (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 the Board of Directors of the Company which may amount to a change in control (as defined in SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011);
 - (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

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Shelf Placement Memorandum for Issue of Secured Rated Listed
Redeemable Non-Convertible Debentures on a private placement basis
August 20, 2021

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- 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 Debenture 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) report to the Trustee (and to the Debenture 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 Debenture Holder(s);
 - C. Details of the principal and the Coupon to be made, but unpaid and reasons for the non-payment thereof;
 - D. The number and nature of grievances received from the Debenture Holder(s) and (a) resolved by the Company, (b) unresolved by the Company to the satisfaction of the Debenture Holder(s) and the reasons for the same;
 - E. A statement by the authorised signatory of the Company:
 1. that the assets of the Company which are available as Hypothecated Assets is/are sufficient to discharge the claims of the Debenture Holder(s) as and when they become due; and
 2. that the receivables constituting the Hypothecated Assets have not been charged or hypothecated in favour of any other party except the Trustee and that they are free from any other encumbrances;
 - F. Statement that the quarterly compliance report on corporate governance (if applicable) has been submitted to the Exchange, in the format prescribed by SEBI, within the time lines 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) At the request of any Debenture Holder(s), the Trustee shall, by notice to the Company, call upon the Company to take appropriate steps to redress grievances of the Debenture Holder(s) and shall, if necessary, at the request of the Debenture Holder(s) representing not less than one-tenth in value of the nominal amount of the Debentures for the time being outstanding, call a meeting of the Debenture Holder(s).

The Company shall also promptly furnish to the Debenture Trustee the details of all the grievances received by them and shall comprise the following:

- (i) Names of the complainants/Debenture Holders.
- (ii) Nature of grievances/complaints.
- (iii) Time taken for redressal of complaint/grievances etc.
- (iv) The steps taken by the Company to redress the same.

The Company shall promptly and expeditiously attend to and redress the grievances, if any, of the Debenture 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. All grievances relating to the Issue may be addressed to the compliance officer of the Company ("**Compliance Officer**") giving full details such as name, address of the applicant, date of the application, application number, number of Debentures applied for, amount paid on application and the place where the application was submitted. The Company shall make best efforts to settle investor grievances expeditiously and satisfactorily within 30 (Thirty) days from the date of receipt of such complaint. In case of non-routine complaints and where external agencies are involved, the

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Shelf Placement Memorandum for Issue of Secured Rated Listed
Redeemable Non-Convertible Debentures on a private placement basis
August 20, 2021

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Company shall make best endeavours to redress these complaints as expeditiously as possible. The Compliance Officer of the Company may also be contacted in case of any pre-issue/post issue related problems

- (i) 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 Uniform 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;
- (j) The Company shall keep the Hypothecated Assets adequately insured and in a proper condition.
- (k) 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 Debenture Holders within 2 (Two) working days of their specific request;
- (l) The Company shall carry out subsequent valuation of the Hypothecated Assets, at the request of the Trustee.
- (m) The Company shall submit the following disclosures to the Trustee in electronic form (soft copy) at the time of allotment of the Debentures:
 - (i) Memorandum and Articles of Association and necessary resolution(s) for the allotment of the Debentures;
 - (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 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;
 - (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 Stock Exchange within the timeframe permitted under Applicable Law.
- (n) The Company shall, on half yearly basis, submit a half-yearly certificate by the statutory auditor, regarding maintenance of Asset Cover, including compliance with all the covenants, in respect of the Debentures, along with the half-yearly financial results.
- (o) The Company shall promptly submit any information, as required by the Trustee including but not limited to the following:-
 - (i) 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 Debentures into the depository accounts of the Debenture Holder(s) within the time lines prescribed by the Applicable Laws;
 - (ii) intimations regarding :
 - A. any revision in the rating;
 - B. any default in timely payment of interest or redemption or both in respect of the non-convertible debt securities;

Private and Confidential – For Private Circulation Only
Shelf Placement Memorandum for Issue of Secured Rated Listed
Redeemable Non-Convertible Debentures on a private placement basis
August 20, 2021

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- C. failure to create the Security;
- 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 or affecting the Hypothecated Assets;

(p) Transfer of Unclaimed Redemption Amounts.

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

(q) Financial Covenants and Conditions

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

- (r) 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 incorporated in the Trust Deed;
- (s) Within 15 (Fifteen) Business Days of receipt of a request from the Trustee, the Company shall authenticate any information relating to the Debentures, to be submitted by the Trustee with the Information Utility;
- (t) 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;
- (u) The Company shall submit the following reports/ certification to the Trustee within the timelines mentioned below:

Reports/Certificates	Timelines for submission Requirements to Trustee
Asset Cover Certificate in the format prescribed under Annexure A of SEBI Circular dated November 12, 2020 and bearing reference number SEBI/ HO/ MIRSD/ CRADT/ CIR/ P/ 2020/230	Quarterly basis within 45 days from end of each quarter or within such timelines as prescribed under Applicable Law.

- (v) The Company shall cooperate with the Trustee to enable it to make necessary filings in connection with the creation of Security over the Hypothecated Assets with the CERSAI, within 30 (Thirty) calendar days from the date of creation of security over the Hypothecated Assets in respect of any Tranche/ Series.
- (w) The Company shall submit a due diligence certificate issued by the Trustee in respect of the Security for each Tranche/ Series, in the applicable format prescribed under Annexure A of the SEBI circular dated November 03, 2020 (bearing reference number SEBI/HO/MIRSD/CRADT/CIR/P/2020/218) to the Stock Exchange, on or prior to issuing the Shelf Placement Memorandum and each of the Tranche Placement Memorandum.
- (x) 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.

Private and Confidential – For Private Circulation Only
Shelf Placement Memorandum for Issue of Secured Rated Listed
Redeemable Non-Convertible Debentures on a private placement basis
August 20, 2021

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(y) Access and Inspection

The Company shall:

- (i) permit the Trustee to examine the relevant books and records of the Company upon reasonable prior notice and at such reasonable times and intervals as the Trustee may reasonably request.
 - (ii) permit the Trustee and the representatives of the Debenture Holder(s), upon prior written notice, to visit and inspect any of the premises where its business is conducted and to have access to its relevant books of account and records in relation to the Issue and to enter into or upon and to view and inspect the state and condition of all the Hypothecated Assets, together with all records, registers relating to the Hypothecated Assets.
 - (iii) give to the Trustee such information as they shall require as to all matters relating to the business, property and affairs of the Company and at the time of the issue thereof to the shareholders of the Company furnish to the Trustee, 3 (three) copies of every report, balance sheet, profit and loss account, circulars or notices, issued to the shareholders and the Trustee shall be entitled, if it thinks fit, from time to time, to nominate a firm of chartered accountant to examine the books of account, documents and property of the Company or any part thereof and to investigate the affairs of the Company and the Company shall allow any such accountant to make such examination and investigation and shall furnish them with all such information as they may require and shall pay all costs, charges and expenses of and incidental to such examination and investigation;
- (z) 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.
- (aa) The Company shall punctually pay all rents, royalties, taxes, rates, levies, cesses, assessments, impositions and outgoings, governmental, municipal or otherwise imposed upon or payable by the Company as and when the same shall become payable including in relation to the Issue and the Hypothecated Assets and when required by the Trustee produce the receipts for such payments and observe, perform and comply with all covenants and obligations which ought to be observed and performed by the Company in respect of or any part of the Hypothecated Assets.
- (bb) 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 Debentures 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.
- (cc) The Company shall reimburse all reasonable and actual 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. Until payment or reimbursement of all such sums, the same shall be a charge upon the Hypothecated Assets in priority to the charge securing the Debentures.
- (dd) The Company shall ensure that the Debentures are rated by the Rating Agencies and continue to be rated by the Rating Agencies until their redemption.

Private and Confidential – For Private Circulation Only
Shelf Placement Memorandum for Issue of Secured Rated Listed
Redeemable Non-Convertible Debentures on a private placement basis
August 20, 2021

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(B). NEGATIVE COVENANTS

The Company hereby covenants that, the Company shall not, for so long as any amount remains outstanding under the Debentures (except as may otherwise be intimated to the Trustee in writing or previously agreed to in writing by the Trustee (acting upon the receipt of the prior written approval of the Majority Debenture Holder(s)), as specified below, perform any of the following actions:

- (a) The Company shall not, without the prior written consent of the Trustee, declare or pay any dividend to its shareholders during any Financial Year unless it has paid the installment of principal and Coupon then due and payable on the Debentures 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 Coupon due on the Debentures.
- (b) Except as provided in the Trust Deed, the Company shall not sell or dispose of the Hypothecated Assets or any part thereof or create thereon, any mortgage, lien or charge by way of hypothecation, pledge or otherwise howsoever or other encumbrance of any kind; and
- (c) The Company shall not, without prior intimation in writing to the Trustee, undertake or permit any merger, consolidation, reorganisation, amalgamation, reconstruction, consolidation, scheme of arrangement or compromise with its creditors or shareholders or effect any scheme of amalgamation or reconstruction.

(C). FINANCIAL COVENANTS AND CONDITIONS

(a) Debentures To Rank Pari Passu

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

(b) Redemption

- (i) As and when the specific Tranche/Series of Debentures are issued, the Company shall inform the Trustee of the Redemption Date(s) for that Tranche/Series of Debentures. The tenure of each Series/Tranche of the Debentures shall be as specified in the Tranche Placement Memorandum issued for that Series/Tranche. It is clarified that the Debentures under a Tranche/Series may be issued with a rollover option as may be agreed upon with prospective investors for such Tranche/Series. The details of such rollover option shall be provided for in the relevant Tranche Placement Memorandum applicable for that Tranche/Series. It is further clarified that the Company may issue Debentures under a Tranche/Series with a call option and/ or a put option to be exercised at such interval as may be agreed upon with prospective investors for such Tranche/Series. The details of such call option and / or the put option and the manner of exercise of the same shall be provided in the relevant Tranche Placement Memorandum applicable for that Tranche/Series.
- (ii) Redemption of Debentures under a Tranche/Series will be proportionate to the investment made by each Debenture Holder for that Tranche/ Series.
- (iii) The Company shall furnish the details of payments made to the Debenture Holders, containing the following, towards redemption or the payment of the principal amount and Coupon in respect of such Tranche(s)/ Series to the Exchange:
 - (i) Principal Amount paid;
 - (ii) Coupon paid; and
 - (iii) Date of payment

Private and Confidential – For Private Circulation Only
Shelf Placement Memorandum for Issue of Secured Rated Listed
Redeemable Non-Convertible Debentures on a private placement basis
August 20, 2021

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(c) Payments

Payment of the Outstanding Principal Amount and the Coupon will be made to the registered Debenture 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 shall be made by cheque or warrant drawn by the Company on its bankers or by electronic mode viz. RTGS / NECS / NEFT, as the case may be.

(d) Business Day Convention

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 Series/ Tranche 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.

If the Maturity Date / 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 Placement Memorandum falls on a day which is not a Business Day, then the immediately preceding Business Day shall be the due date for such payment.

(e) Taxation

- (i) As per the existing tax laws, tax will be deducted at source at the time of actual payment of Coupon to the Debenture Holder(s) at the rate for the time being prescribed by the Income Tax Act, 1961.
- (ii) The Company shall deliver to the Debenture 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 Debenture 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.

(f) Additional Interest

In case of default in payment of Coupon and/ or redemption of the principal amount of the Debentures 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 the SEBI Circular dated May 27, 2019 bearing reference number SEBI/HO/MIRSD/DOS3/CIR/P/2019/68, titled "Enhanced disclosure in case of listed debt securities" as may be updated/ amended from time to time.

(g) Further Borrowings

The Company shall be entitled to make further issue of debentures and/or raise further loans and/or avail of further deferred payment/guarantee facilities from time to time for such amounts and from such persons/public financial institutions/banks or any other financial corporations or body corporate to be secured on such basis as may be agreed with such lender. However, until the Debentures are fully redeemed, the Company shall not create any charge on the Hypothecated Assets without obtaining the consent of the Trustee. Provided that at the time of raising such further issue of Debentures and/or further term loans and/or availing deferred payment credit/guarantee facilities, the Company shall maintain the Asset Cover.

Private and Confidential – For Private Circulation Only
Shelf Placement Memorandum for Issue of Secured Rated Listed
Redeemable Non-Convertible Debentures on a private placement basis
August 20, 2021

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(h) Repurchase, Reissue and Consolidation of Debentures

The Company shall, subject to Applicable Law and the Tranche Placement Memorandum in respect of the relevant Tranche/ Series of the Debentures at any time and from time to time, have the power exercisable at its sole and absolute discretion to purchase some or all of the relevant Tranche/ Series of the Debentures held by the Debenture Holder(s) at any time prior to the specified date(s) of redemption from the open market or otherwise. Such buy-back/purchase of relevant Tranche or Series of the Debentures may be at par or at discount / premium to the face value at the sole discretion of the Company and maybe done either on a pro rata basis or by lot or by any other manner whatsoever, as the Company may deem fit. The Trustee (for and on behalf of the Debenture Holders) hereby irrevocably gives its consent to the Company for such buy back/purchase of the relevant Tranche/ Series of the Debentures. The relevant Tranche/ Series of the Debentures so purchased may, at the option of the Company and subject to Applicable Laws, be cancelled, held, consolidated or resold.

Where the Company has repurchased / redeemed any such relevant Tranche or Series of the Debentures, if permissible under and subject to the provisions of the Applicable Laws, the Company shall have and shall be deemed always to have had the right to keep such relevant Tranche or Series of the Debentures alive for the purpose of reissue and in exercising such right, the Company shall have and shall be deemed always to have had the power to reissue such relevant Tranche or Series of the Debentures, either by reissuing the same relevant Tranche or Series of the Debentures or by issuing other Debentures in their place, in either case, at such a price and on such terms and conditions (including any variations, dropping of or additions to any terms and conditions originally stipulated) as the Company may deem fit.

(i) Transfer of Debentures

(iv) The Debentures shall be freely transferable and transmittable by the Debenture Holder(s) in whole or in part without the prior consent of the Company when made in accordance with the Transaction Documents. The Debenture Holder(s) shall also have the right to novate, transfer or assign its rights and/or the benefits under the Transaction Documents upon such transfer/transmission of the Debentures.

(v) It is clarified that the Company shall not assign any of the rights, duties or obligations under the Debentures or in relation to the Debentures without the prior written consent of the Trustee (acting on the instructions of all the Debenture Holder(s)).

(j) Debentures Free From Equities

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

(k) Debenture Holder Not Entitled to Shareholders' Rights

The Debenture 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 Debentures is placed before the shareholders, such resolution will first be placed before the Debenture Holder(s) for their consideration.

(l) Variation of Debenture Holder(s)' Rights

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

Private and Confidential – For Private Circulation Only
Shelf Placement Memorandum for Issue of Secured Rated Listed
Redeemable Non-Convertible Debentures on a private placement basis
August 20, 2021

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

- (i) If one or more of the events specified in Clause (vii) hereinbelow happen(s) in respect of any Series/Tranches, the Trustee shall, upon request in writing of the Super Majority Debenture Holders or by a Special Resolution duly passed at the meeting of the Debenture Holder(s), convened in accordance with the provisions set out in the Schedule II (Provisions for the Meetings of the Debenture Holder(s)) of the Debenture 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 (vii)(a) below.
- (ii) The Trustee may send a notice to the Debenture Holders calling an event of default ("Event of Default") in accordance with Clause (vii), 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) Negative consent for proceeding with the enforcement of Security;
 - (b) positive consent for signing the ICA;
 - (c) the time period within which the consent needs to be provided by the Debenture Holders, which consent is required to be given by the Debenture Holders within 15 (Fifteen) days from the date of notice; 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)).

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 Debenture Holders, subject to the following:
 - (a) In case(s) where majority of Debenture 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) below;
 - (b) The Trustee may form a representative committee of the Debenture Holders to participate in the ICA or as may be decided in the meeting of the Debenture Holders. Such a committee may comprise of the designated members representing the interest of the ISIN level Debenture Holders under the Debentures. The Representative Committee shall be responsible to take decisions which shall be binding on the specific ISIN level Debenture Holders relating to ICA matters, or take any other action as may be decided by the Debenture Holders, from time to time.

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

- (v) The Trustee may sign the ICA and consider the resolution plan on behalf of the Debenture Holders upon compliance with the following conditions:
 - (a) The signing of the ICA and agreeing to the resolution plan is in the interest of Debentures 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

Private and Confidential – For Private Circulation Only
Shelf Placement Memorandum for Issue of Secured Rated Listed
Redeemable Non-Convertible Debentures on a private placement basis
August 20, 2021

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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 Debenture Holders.
- (vi) Subject to the above, the Trustee shall have the following rights:
 - (a) to appoint a Nominee Director as per Clause (ix) 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 the 'Default Interest' section of the Summary Term Sheet;
 - (d) exercise any other right that the Trustee and / or Debenture Holder(s) may have under the Transaction Documents or under Applicable Law.
- (vii) 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 the Due Date of any amount payable pursuant to the Trust Deed, in respect of any Series/ Tranche of Debentures;
 - (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 (a) above, there is a delay in the performance or breach of any covenant, condition or provision contained in these presents 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) except as permitted in the Trust Deed, if, without the prior written approval of the Trustee, the Hypothecated Assets or any part thereof is disposed of, charged, encumbered or alienated;
 - (v) the value of the Hypothecated Assets is insufficient to maintain the Asset Cover and Company fails to maintain the Asset Cover within the stipulated timelines in the Deed of Hypothecation;
 - (vi) in the reasonable opinion of the Trustee, acting on the instructions of the Super Majority Debenture Holder(s), the Security offered for the Debentures is in jeopardy. It is hereby clarified that the Security created to secure the obligations of the Company in relation to the Debentures, shall be considered to be in jeopardy, only in the event that any attachment or distraint is levied in respect of the Hypothecated Assets.
 - (vii) Any information given by the Company in the reports and other information furnished by the Company and the warranties given/deemed to have been given by it to the Trustee is intentionally misleading or incorrect in any material respect;
 - (viii) 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;
 - (ix) A receiver or a liquidator has been appointed or allowed to be appointed for all or any part of the undertaking of the Company;
 - (x) Any process or petition for expropriation, attachment, sequestration, distress or execution affecting the Hypothecated Assets or any part thereof or certificate proceedings have been taken or commenced for recovery of any dues from the Company which has not been rejected/ discharged/ dismissed/ reversed or settled within 30 (Thirty) calendar days or as given in the said order; or

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Shelf Placement Memorandum for Issue of Secured Rated Listed
Redeemable Non-Convertible Debentures on a private placement basis
August 20, 2021

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- (xi) If any material breach of terms of the relevant Disclosure Document(s) pertaining to any Series/Tranche of Debentures is committed by the Company.
 - (c) The Company admits, in writing, its inability to pay its debts as they fall due, 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 any of its Financial Indebtedness;
 - (d) When an order has been made by the tribunal or a special resolution has been passed by the members of the company for winding up of the company;
 - (e) The Company ceases or threatens in writing to cease to carry on its business or gives notice of its intention to do so.
- (viii) 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 Debenture 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.
- (ix) 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:
- (a) 2 (Two) consecutive defaults in payment of Coupon to the Debenture Holder(s) by the Company; or
 - (b) Any default on the part of the Company in redemption of the Debentures;
 - (c) Any default in the creation of Security;
- The Nominee Director so appointed shall not be liable to retire by rotation nor shall be required to hold any qualification shares.

Private and Confidential – For Private Circulation Only
Shelf Placement Memorandum for Issue of Secured Rated Listed
Redeemable Non-Convertible Debentures on a private placement basis
August 20, 2021

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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 EXISTANT LAWS, REGULATIONS, ETC. EACH OF THE ABOVE CATEGORIES OF INVESTORS IS REQUIRED TO CHECK AND COMPLY WITH EXISTANT 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 DEBENTURES

General

The following are the risks envisaged by the management of the Company relating to the Company, the Debentures and the market in general. Potential investors should carefully consider all the risk factors stated in the Disclosure Document(s) in relation to the Debentures for evaluating the Company and its business and the Debentures before making any investment decision relating to the Debentures. The Company believes that the factors described below represent the principal risks inherent in investing in the Debentures but do not represent that the statements below regarding the risks of holding the Debentures are exhaustive. The ordering of the risk factors is intended to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk factor over another. 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.

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 Debentures could decline and/or the Company's ability to meet its obligations in respect of the Debentures could be affected. More than one risk factor may have simultaneous effect with regard to the Debentures 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 Debentures and/or the Company's ability to meet its obligations in respect of the Debentures.

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 Debentures 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 Debentures. 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

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Shelf Placement Memorandum for Issue of Secured Rated Listed
Redeemable Non-Convertible Debentures on a private placement basis
August 20, 2021

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of the Company or its parent or affiliates, by any rating agency could result in a reduction in the value of the Debentures. 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 Debentures 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 immovable. 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 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 Debentures. 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 Debentures and/or the Company's ability to meet its obligations in respect of the Debentures could be affected.

Private and Confidential – For Private Circulation Only
Shelf Placement Memorandum for Issue of Secured Rated Listed
Redeemable Non-Convertible Debentures on a private placement basis
August 20, 2021

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Security may be insufficient to redeem the Debentures

In the event that the Company is unable to meet its payment and other obligations towards Investors under the terms of the Debentures, the Trustee may enforce the Security as per the terms of the Trust Deed and other related documents. The Investors' recovery in relation to the Debentures will be subject to (i) the market value of the property offered as security, and (ii) finding a willing buyer for such security at a price sufficient to repay the potential Investors' amounts outstanding under the Debentures.

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.

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 Debentures.

Private and Confidential – For Private Circulation Only
Shelf Placement Memorandum for Issue of Secured Rated Listed
Redeemable Non-Convertible Debentures on a private placement basis
August 20, 2021

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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.

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.

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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 Debentures.

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.

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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 Debentures.

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.

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.

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 Debentures or debt instruments similar to the Debentures and/or other obligations or have positions in securities economically related to a series of Debentures for their own account for business reasons or in connection with hedging of the obligations under the particular series of Debentures. 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 Debentures. The Company and its affiliates have not considered, and are not required to consider, the interests of investors as holders of the Debentures in connection with entering into any of the above-mentioned transactions.

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

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

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

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

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

All securities where a fixed rate of interest is offered, such as the Debentures, 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 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 Debentures.

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 debentures, the issue of Debentures 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.

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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 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 Debentures 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.

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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 Debentures 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 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 Debentures 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 Debentures 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.

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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 Debentures 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 Debentures may be adversely affected due to the aforesaid reasons.

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 Debentures 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 Debentures, 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 Debentures or may result in the Debentures 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 Debentures.

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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 Debentures.

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

- a. 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;
- b. 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 Debentures, if applicable, is guaranteed by the Central Government;
- c. The monies received under the Issue shall be used only for the purposes and objects indicated in the Shelf Placement Memorandum;
- d. 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.

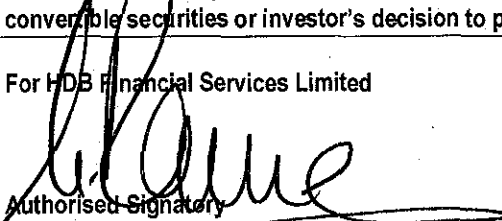
I am authorized by the Board of Directors of the Company vide resolution number 17 dated to April 17, 2021 sign this Shelf Placement Memorandum and declare that all the requirements of Companies Act, 2013 and the rules made there under in respect of the subject matter of Shelf Placement Memorandum and 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 Debentures 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: August 20, 2021

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ANNEXURE I

TRUSTEE CONSENT LETTER

IDBI Trusteeship Services Ltd
 CIN : U65991MH2001CG01131154



No. IDBITRUST/REG/CL/2021/23/0000/1-102
 Dated 24, 2021

To,
 M/s. Anandhi Capital – Manager Treasury,
 HDFS Financial Services Limited
 Ground Floor, South House,
 Keshavnagar, Pithampur, Opposite Bhamu Chowk,
 Mahesana, Mumbai – 400034

Dear Sirs,

Understand to act as Debenture Trustee for Secured Listed Non – Convertible Debentures (NCDs) of Rs.7,500 crore to be issued through one or more tranches.

This is with reference to the email dated 24.08.2021 regarding appointment of IDBI Trusteeship Services Limited (ITSL) as Debenture Trustee for Secured Listed Non – Convertible Debentures (NCDs) of Rs.7,500 crore to be issued through one or more tranches within 24 months from date of Undersigned Consent Letter.

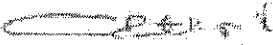
In this connection, we confirm our acceptance to act as Debenture Trustee for the aforesaid, subject to the company agreeing the conditions set out in annexure A.

We are also agreeable for inclusion of our name as trustees in the Company's offer documents / disclosure documents / listing application / any other document to be filed with SEBI / ROC / the Stock Exchange(s) or any other authority as required.

HDFS Financial Services Limited shall enter into Debenture Trustee Agreement for the said issue of the NCDs.

Thanking you,

Yours faithfully,
 For IDBI Trusteeship Services Limited


 Aditya Khandelwal
 Vice President

Head Office : Asian Building, Ground Floor, 17, R. K. Karmali Marg, Balfour Estate, Mumbai - 400 001.
Tel. : 022-4000 7000 • Fax : 022-6631 1776 • Email : info@idbitrustee.com • response@idbitrustee.com
Website : www.idbitrustee.com

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IDBI Trusteeship Services Ltd.
CIN : U05991MH2005000131154



Annexure A

1. The Company agrees and undertakes to ensure the securities registers applicable over such of its immovable and movable properties and on such terms and conditions as agreed by the Debenture holders and trustees in the Information Memorandum or Debenture Trust Deed and, moreover, the Debenture Trust Deed and other necessary security documents for each series of debentures as approved by the Debenture Trustee, within a period as agreed by us in the Information Memorandum or Debenture Trust Deed in any case not exceeding 3 months from the date of issue of the debentures.

2. The Company agrees to undertake to pay to the Debenture Trustee, as long as they hold the office of the Debenture Trustee, remuneration as fixed above for their services as Debenture Trustee in addition to all legal, investing and other costs, charges and expenses which the Debenture Trustee or their officers, employees or agents may incur in relation to execution of the Debenture Trust Deed and all other documents affecting the Security till the amount in respect of the Debentures have been fully paid-off and the requisite formalities for satisfaction of charge in all respects, have been complied with.

3. The Company agrees to undertake to comply with the provisions of SEBI (Debenture Trustees) Regulations, 1999, Securities and Listing of Debt Securities Regulations, 2008, read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Companies Act, 1976 to the extent not repugnant and The Companies Act, 2013 to the extent notified and other applicable provisions as amended from time to time and agrees to furnish to Trustee such information as terms of the issue or regular basis.

For IDBI Trusteeship Services Limited

Aditya Kapil
Vice President

Head Office : Asian Building, Ground Floor, L7, R. K. Karanti Marg, Ballard Estate, Mumbai - 400 001.
Tel : 022-4000 7000 • Fax : 022-5631 1776 • Email : info@idbitrustee.com • response@idbitrustee.com
Website : www.idbitrustee.com

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ANNEXURE II

PRESS RELEASE AND RATING RATIONALE

Ratings

CRISIL Ratings Limited (a subsidiary of CRISIL Limited)

CRISIL

An S&P Global Company

Rating Rationale

August 19, 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.2235.1 Crore	CRISIL PPMLD AAA/Stable (Reaffirmed)
Non Convertible Debentures Aggregating Rs.23157.32 Crore (Reduce from Rs.30532.52 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)

crore = 10 million

Refer to annexure for Details of Instruments & Bank Facilities

Rating 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 PPMLD 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 Withdrawal' 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 capitalization.

In line with RBI's measures for Covid-19 pandemic, HDB Finance had given moratorium to its borrowers. While the collection delinquency 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 5.5% (Rs.3,550 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

Analysical Approach

In 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 1 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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CARE/HO/RR/2020-21/1204

Mr. G. Ramesh
Chief Executive Officer
HDB Financial Services Ltd.
Ground Floor, Zenith House,
Keshavnagar Khadye Marg,
Opp. Race Course, Mahalakshmi
Mumbai – 400034.

July 16, 2021

Dear Sir,

Credit rating of HDB Financial Services Limited

1. Please refer to our letters dated June 29, 2021 on the above subject.
2. The rationale for the ratings is attached as Annexure-1.
3. We request you to peruse the annexed documents and offer your comments, if any. We are doing this as a matter of courtesy to our clients and with a view to ensure that no factual inaccuracies have inadvertently crept in. Kindly revert as early as possible. In any case, if we do not hear from you by July 22, 2021, we will proceed on the basis that you have no comments to offer.

If you have any further clarifications, you are welcome to approach us.

Thanking you,

Yours faithfully,

Himanshu Shethia
Director

End: As above

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Annexure 1
Rating Rationale
HDF Financial Services Limited
July XX, 2021

Ratings

Facilities	Amount (Rs. crore)	Rating	Rating Action
Non-Convertible Debentures	10,000 (Rs. Ten Thousand Crore Only)	CARE AAA; Stable (Triple A; Outlook: Stable)	Assigned
Non-Convertible Debentures	30,308 (reduced from 39,733) (Rs. Thirty Thousand Three Hundred & Eight Crore Only)	CARE AAA; Stable (Triple A; Outlook: Stable)	Reaffirmed
Subordinate Debt	4,000 (increased from Rs. 3,500) (Rs. Four Thousand Crore Only)	CARE AAA; Stable (Triple A; Outlook: Stable)	Reaffirmed
Total	44,308 (Rs. Forty-Four Thousand Three Hundred and Eight Only)		

Details of Instruments/Facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

The reaffirmation of ratings factor in the strength that HDF Financial Services Limited (HDFSL) derives from strong linkages it enjoys with its parent HDFC Bank Ltd (HBL, rated 'CARE AAA; Stable', 'CARE AI+3'), in the form of operational and financial support. The ratings also reflect the steady financial performance as well as adequate capitalization of HDFSL. The ratings also take into consideration HDFSL's experienced management, its strong liquidity position, diversified resource profile and moderation in asset quality. Credit profile and continued support from HBL, profitability of HDFSL, asset quality, and capital adequacy, 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 HDFSL 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 Capital Adequacy Ratio close to the minimum regulatory requirement.

Detailed description of the key rating drivers

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

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Press Release

CARE Ratings

HDB Financial Services Limited (Revised)
July 02, 2021

Ratings

(Instruments/Facilities)	Amount (Rs. crore)	Rating*	Rating Action
Non-Convertible Debentures	10,000 (Rs. Ten Thousand Crore Only)	CARE AAA; Stable (Triple A; Outlook: Stable)	Assigned
Non-Convertible Debentures	30,308 (reduced from Rs.39,735) (Rs. Thirty Thousand Three Hundred & Eight Crore Only)	CARE AAA; Stable (Triple A; Outlook: Stable)	Reaffirmed
Subordinate Debt	4,000 (increased from Rs.3,500) (Rs. Four Thousand Crore Only)	CARE AAA; Stable (Triple A; Outlook: Stable)	Reaffirmed
Total	44,308 (Rs. Forty-Four Thousand Three Hundred and Eight Only)		

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

The reaffirmation of ratings factor in the strength that HDB Financial Services Limited (HDBFSL) derives from strong linkages it enjoys with its parent HDFC Bank Ltd (HBL; rated 'CARE AAA; Stable', 'CARE A1+'), in the form of operational and financial support. The ratings also reflect the steady financial performance as well as adequate capitalization of HDBFSL. The ratings also take into consideration HDBFSL's experienced management, its strong liquidity position, diversified resource profile and moderation in asset quality. Credit profile and continued support from HBL, profitability of HDBFSL, asset quality, and capital adequacy, 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 Capital Adequacy Ratio close to the minimum regulatory requirement.

Detailed description of the key rating drivers**Key Rating Strengths****Strong linkages with 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 March 31, 2021) in HDBFSL. HDBFSL has strong linkages with the group. In terms of sharing of brand name, resource raising ability and funding support, HDBFSL benefits being part of the group. Conversely, HDBFSL also supports HBL for sourcing and collection of latter's retail loan portfolio and provides outsourcing services to HBL.

About HDFC Bank limited: HBL being the largest private sector bank in India with total assets of Rs.17,46,871 crore as on March 31, 2021, has been identified as Domestic Systemically Important Bank (DSIB) by the Reserve Bank of India since September 04, 2017. This strong market share is complemented by its expanding pan-India domestic franchise. As on March 31, 2021, the bank had a network of 5,608 branches in 2,902 cities [P.Y.: 5,254 branches in 2,803 cities] with more than 50% of the branches in semi urban & rural areas. The bank has three overseas branches in Bahrain, Hong Kong, Dubai and representative offices in Abu Dhabi, Dubai and Kenya. As

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

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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 Debentures 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 Debentures. The amount payable on application as shown below is remitted herewith. On allotment, please place our name(s) on the Register of Debenture Holder(s).

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

Debt Tranche	[●]
No. of debentures applied (in figures)	[●]
No. of debentures 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	[●]
Account No.	[●]
IFSC/NEFT Code	[●]
UTR No. *	[●]

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

We hereby confirm that the payment(s) made towards subscription of the Secured, Rated, Listed, Redeemable Non-Convertible Debentures 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 Debentures of the Company in dematerialised form.

Depository Details

DP Name	[●]
DP ID	[●]
Client ID	[●]

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

Taxpayers PAN / GIR No.	T Circle/Ward/District	() Not Allotted
[●]	[●]	
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 Debentures, carried out our own due diligence and made our own decisions with respect to investment in these Debentures 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 Debentures to us, our Beneficiary Account as mentioned above would get credited to the extent of the allotted Debentures, (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 Debentures cannot be credited to our Beneficiary Account for any reason whatsoever, the Company shall be entitled at its sole discretion to reject the application.

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 Debentures) 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.

For [●]

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Authorised Signatory(ies)

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

(Tear here)

ACKNOWLEDGEMENT SLIP

Application No: [●]

Date: [●]

Debenture Tranche	Series [●]
No. of debentures applied (in figures)	[●]
No. of debentures 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
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.

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

https://www.hdbfs.com/sites/default/files/debt/HDBFS_Financial_Results_March_2021_signed.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:** +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

PART A

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

Private Placement of upto 75,000 (Seventy Five Thousand) Secured, Rated, Listed, Redeemable Non-Convertible Debentures of the face value of Rs. 10,00,000/- (Rupees Ten Lakh only) each for cash aggregating upto Rs. 7500,00,00,000/- (Rupees Seven Thousand and Five Hundred Crores 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 Debentures 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 Debentures. 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,
 Law Garden Road,

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Corporate Office: 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
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
Mr. G. Ramesh	Managing Director & Chief Executive Officer	05291597	C – 101, Ashok Gardens, Tokersey Jivraj Road, Sewree, Mumbai 400015	Service

F. Management's perception of Risk Factors:

Please refer to Section O of the Shelf Placement Memorandum.

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

- (i) Statutory Dues: Nil
- (ii) Debentures and interest thereon: Nil
- (iii) Deposits and interest thereon: Nil

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Redeemable Non-Convertible Debentures on a private placement basis
August 20, 2021

Shelf Placement Memorandum issued in conformity with 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.

(iv) 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: 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:

Financial Particulars	Rs. In Crore		
	2020-2021	2019-2020	2018-2019
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
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 75,000 (Seventy Five Thousand) Rated, Listed, Secured, Redeemable Non-Convertible Debentures of face value of Rs. 10,00,000/- (Rupees Ten Lakhs Only) each, aggregating up to Rs. 7500,00,00,000/- (Rupees Seven Thousand and 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 Tranche Placement Memorandum
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 Debentures in this Issue, when addressed directly, are all QIBs, and any non-QIB Investors specifically mapped by the Issuer on the EBP Platform
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.

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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	Non-Convertible Debentures issued at face value i.e. Rs.10,00,000/- each:				
	Type of security	Nature of Issue	Number of Investors	No. of Securities	Issue Price (In Rs.)
	Non Convertible Debenture	Private Placement	16	34910	10,00,000
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 Debentures are being issued for cash				
Amount, which the Company intends to raise by way of securities	Aggregate issue of up to 75,000 (Seventy Five Thousand) Rated, Listed, Secured, Redeemable Non-Convertible Debentures of face value of Rs. 10,00,000/- (Rupees Ten Lakhs Only) each, aggregating up to Rs. 7500,00,00,000/- (Rupees Seven Thousand and Five Hundred Crores Only) to be issued in one or more Tranche/Series .				
Terms of raising of securities:	Duration, if applicable:	As per the relevant Tranche Placement Memorandum			
	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 cum application Letter is valid	Tranche Opening Date: As per the relevant Tranche Placement Memorandum Tranche Closing Date: As per the relevant Tranche Placement Memorandum 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	Description of Security				
	The Debentures being issued shall be secured through first and exclusive charge by hypothecation over the specific identified receivables of the Issuer or such other security as may be identified by the Company as set out in the Debenture Trust Deed and/ or the Deed of Hypothecation.				
	Asset Cover and its maintenance				
	The Company shall, during the currency of the Debentures, maintain a minimum asset cover which shall be 1.10 (One decimal point One Zero) times of the outstanding principal amount and the accrued Coupon, or such other asset cover as may be required in relation to a particular Tranche under the relevant				

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	Tranche Placement Memorandum ("Asset Cover"). Each time a new Tranche of the Debentures is proposed to be issued, the Company shall, prior to the issue of such new Tranche of the Debentures, provide the Trustee with a Supplemental Receivables Schedule identifying the aggregate Receivables that are charged in favour of the Trustee so as to maintain the required Asset Cover in accordance with the terms of the Debenture Trust Deed or the relevant Tranche Placement Memorandum. Each Supplemental Receivables Schedule shall form an integral part of the Deed of Hypothecation and a first ranking and exclusive continuing charge in the nature of a hypothecation shall be deemed to be <i>ipso facto</i> created and perfected over the receivables identified and set out therein, without requiring any further act to be done by the Company. Within 30 (Thirty) days from the end of each financial quarter or at such other time as may be necessary, the Company shall deliver to the Trustee, the Supplemental Receivables Schedule duly certified by a practicing chartered accountant and the managing director of the Company of aggregate receivables hypothecated on exclusive basis in favour of the Trustee which shall provide requisite Asset Cover on the outstanding Debentures and shall certify its value. It is clarified that if the value of the Hypothecated Assets identified under Schedule I of the Deed of Hypothecation and in the Supplemental Receivables Schedules (as defined in the Deed of Hypothecation) submitted from time to time gets diminished, the Company shall within 30 (Thirty) calendar days from the end of each financial quarter ("Top-Up Date") also provide the Trustee with a Supplemental Receivables Schedule identifying further Receivables (i.e. an updated list of the Loans comprising the Receivables on quarterly basis along with such other certifications in respect of the Loans constituting the Receivables as may be required by Trustee) so as to maintain the Asset Cover in accordance with the terms of the Trust Deed or the relevant Tranche Placement Memorandum. Pursuant to the Top-up, the Company shall take all steps necessary to perfect such security at its own cost including filing the necessary forms for recording the modification of the charge with the applicable registrar of companies. Any substitution, addition and/or replacement of the Hypothecated Assets shall be made under the terms of the Deed of Hypothecation. The Company hereby undertakes that the Receivables on which charge has been created are free from any encumbrances. <u>Release of Excess Hypothecated Assets</u> Notwithstanding anything contained in the Deed of Hypothecation, in the event that the Hypothecated Assets are of a book value greater than that required for the maintenance of the Asset Cover, the Company shall be entitled to require the Trustee to release the excess Hypothecated Assets such that the Hypothecated Assets remaining after such release would be sufficient for maintenance of the Asset Cover ("Released Assets"). The Company shall, for such release, issue a letter to the Trustee substantially in the format set out in Schedule II of the Deed of Hypothecation describing the Hypothecated Assets to be released ("Release Request Letter"). The Trustee shall effectuate such release by issuing a no objection letter in response to the Release Request Letter and shall also, if requested by the Com-
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	pany execute all such documents as may be required for such release. The Release Request Letter shall be accompanied by a certificate from the independent chartered accountant of the Company confirming to the Debenture Trustee in writing the amount of Released Assets and that the Asset Cover Ratio shall be maintained post such excess release. The Debenture Trustee shall not be required to provide any notice to or obtain any consent of the Debenture Holders for issuing the non-objection letter and releasing the excess Hypothecated Assets under the terms hereof. The Trustee shall not be liable for any consequences for having acted in terms hereof and having made such release. The Released Assets shall not be construed to be a part of the Security and the Company shall be entitled to deal with the Released Assets in the manner it deems fit. <u>Creation and Perfection</u> The Company shall execute Debenture Trust Deed and Deed of Hypothecation prior to listing of the Debentures and perfect the same by filing requisite forms with ROC within 30 (Thirty) days, or such other time as permitted under Applicable Law, of creation of charge. The Issuer shall cooperate with the Trustee to enable it to make necessary filings in connection with the creation of Security over the Hypothecated Assets with the CERSAI, within the timelines as specified under Applicable Law from the date of creation of security over the Hypothecated Assets in respect of any Tranche/ Series. The Debentures shall be considered to be secured only in the event the Hypothecated Assets are registered with the relevant ROC or CERSAI or Depository, as applicable or is independently verifiable by the Trustee. <u>Due Diligence</u> The Trustee shall exercise independent due diligence to ensure that the Security is free from any encumbrances in accordance with the applicable circulars / notifications issued by the SEBI including under the provisions of the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993 (as amended from time to time), and as also set out in detail under the terms of the Debenture Trustee Agreement.																								
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)	<table><tr><th rowspan="2">Sr. No</th><th rowspan="2">Category</th><th colspan="2">Pre-issue</th><th colspan="2">Post-issue</th></tr><tr><th>No. of shares held</th><th>(%) of share-holding</th><th>No. of shares held</th><th>(%) of share-holding</th></tr><tr><td>A</td><td>Promoters' holding</td><td></td><td></td><td colspan="2" rowspan="3">The shareholding pattern of the Company shall remain unchanged after the Issue. The</td></tr><tr><td>1</td><td>Indian</td><td></td><td></td></tr><tr><td></td><td>Individual</td><td>-</td><td>-</td></tr></table>	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		1	Indian				Individual	-	-
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																					
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	Individual	-	-																						

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	Bodies Corporate	75,05,96,670	95.11	Debentures 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.
	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	7,34,459	0.09	
	Directors and relatives	7,20,500	0.09	
	Indian public	3,47,57,839	4.40	
	Others (including Non-resident Indians)	12,75,748	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	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 Debentures.

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Department or statutory authority upon conclusion of such litigation or legal action shall be disclosed											
Remuneration of directors (during the current year and last 3 (three) financial years)	<table> <tr> <th>Financial Year</th><th>Amount (Rs. in Crores)</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 Crores)	2018-19	3.72	2019-20	4.10	2020-21	3.79	2021-22 (projected)	4.50
Financial Year	Amount (Rs. in Crores)										
2018-19	3.72										
2019-20	4.10										
2020-21	3.79										
2021-22 (projected)	4.50										
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 30.06.2021)	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

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Size of the Present Offer	Issue of upto 75,000 (Seventy Five Thousand) Rated, Listed, Secured, Redeemable Non-Convertible Debentures of face value of Rs. 10,00,000/- (Rupees Ten Lakh Only) each, aggregating up to Rs. 7500,00,00,000/- (Rupees Seven Thousand and Five Hundred Crore Only) in one or more Tranches/ Series.
Paid-up Capital: a. After the offer: b. After the conversion of Convertible Instruments (if applicable)	The paid-up share capital after the issue will remain unchanged.
Share Premium Account: a. Before the offer: b. After the offer:	Debentures 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 June 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	69,96,11,476	6,99,61,14,760	17,90,07,53,734	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	70,01,72,426	7,00,17,24,260	17,92,25,81,184	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	70,05,25,326	7,00,52,53,260	17,93,72,73,084	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	70,14,33,226	7,01,43,32,260	18,00,58,32,884	For cash on account of ESOP allotment
16/12/2016	75,60,985	10	Cash		Scheme of amalgamation	70,89,94,211	7,08,99,42,110	1,80,06,08,2884	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	70,93,12,851	7,09,31,28,510	18,03,00,15,604	For cash on account of ESOP allotment
23/3/2017	7,09,31,445	10	Cash	155/-	Rights issue	78,02,44,296	7,80,24,42,960	28,31,50,75,129	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	78,07,50,956	7,80,75,09,560	28,35,14,03,009	For cash on account of ESOP allotment
5/12/2017	21,85,300	10	Cash	Series 8A – 88/- Series 8B – 88/- Series 9A – 137/-	ESOS Exercise	78,29,36,256	7,82,93,62,560	28,57,55,01,609	For cash on account of ESOP allotment
30/5/2018	4,500	10	Cash	Series 8C – 88/-	ESOS Exercise	78,29,40,756	7,82,94,07,560	28,57,58,52,609	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/-	ESOS Exercise	78,57,00,306	7,85,70,03,060	28,93,82,05,459	For cash on account of ESOP allotment

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13/9/2019	1,68,700	10	Cash	Series 10C – 213/- Series 8C – 88/- Series 9B – 137/- Series 10A – 213/-	ESOS Exercise	78,58,69,006	7,85,86,90,0 60	28,96,41,7 1,859	For cash on ac- count of ESOP allotment
11/12/2019	17,10,650	10	Cash	Series 9C – 137/- Series 10A – 213/- Series 10B – 213/-	ESOS Exercise	78,75,79,656	7,87,57,96,5 60	29,25,43, 42,609	For cash on ac- count of ESOP allotment
18/11/2020	2,50,890	10	Cash	Series 10B – 213/- Series 11A – 274/-	ESOS Exercise	78,78,30,546	7,87,83,05,4 60	29,31,87,2 9,269	For cash on ac- count 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	78,88,71,646	7,88,87,16,4 60	29,53,03,5 3,169	For cash on ac- count 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	78,91,82,866	7,89,18,28,6 60	29,60,64,7 6,249	For cash on ac- count of ESOP allotment
16/03/2021	2,350	10	Cash	Series 10C – 213/-	ESOS Exercise	78,91,85,216	7,89,18,52,1 60	29,60,69,5 3,299	For cash on ac- count of ESOP allotment
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

Related Party	Nature of Relationship	Nature Of Transaction	Rs. In Crore		
			For the year ended		
			March 31, 2021	March 31, 2020	March 31, 2019
HDFC Bank Ltd	Holding Com- pany	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	-	-

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		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
		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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August 20, 2021

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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,
 Keshavnagar Khadye Marg,
 Opp. Race Course, Mahalaxmi,
 Mumbai - 400034
 Tel : 022 - 39566330
 Fax : 022 - 39566336
 Web : www.hdbfs.com
 CIN : U66990DL2007PL0054008
 Email ID : company@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, KESHAVNAGAR KHADYE MARG, MAHALAXMI, MUMBAI - 400034

TO APPROVE ISSUANCE OF SECURED REDEEMABLE NON-CONVERTIBLE DEBENTURES

"RESOLVED THAT pursuant to the Reserve Bank of India's Master Direction No. RBI/DNR/2016-17/45 DNR, FD, 08/03.10.19/2016-17 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 previous approval of the members of the Company by way of a special resolution pursuant to Section 42 of the Companies Act, 2013, read with applicable rules and regulations made there under, as amended from time to time, the consent of the Board be and is hereby accorded to borrow funds by issue of Secured Redeemable Non-convertible Debentures (NCDs) on private placement basis, in one or more tranches as may be decided by the management, upto Rs. 8,554.9 (Rupees Eight Thousand Six Hundred Fifty Four crore Ninety Lakh only), and within the overall limit of borrowing as approved by the members pursuant to Section 185 (1)(c) of the Companies Act, 2013, from time to time, on the date of issue, as per the terms and conditions briefed as under:

Issuer	HDB Financial Services Ltd. (the Issuer/ the Company/ the Borrower/HDB)
Issue Size	Upto Rs. 8,554.9 crore in aggregate in various tranches, as may be decided by the management (Issue of all tranches collectively referred to as 'Issue')
Instrument	Secured Redeemable Non-Convertible Debentures ('NCD' 'Debentures')
Object of Issue	On-lending, refinancing existing borrowings, augmenting the business capital requirements of the Company and for general corporate purpose
Security	First pari-passu charge by way of mortgage on specific fixed assets of the company and/or first and exclusive charge by way of hypothecation over the receivables and the Company, having asset cover of not more than 1.25 times to be maintained during the tenor of the NCDs
Face Value	Rs. 10 lac each
Credit Rating	'AAA/Stable' by CRISIL and CARE
Tenor	For a period not exceeding ten years
Put / Call Option	As may be decided by the management from time to time
Redemption	As per the terms that may be agreed by the management at the time of issue
Indicative Coupon rate	To 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
Interest on Application Money	At the coupon rate (subject to TDS, as applicable) from the date of realization of cheque(s)/ demand draft(s)/ RTGS upto one day prior to the 'Deemed Date of Allotment'
Minimum Subscription	Rs. 100 lakh per investor and in multiple of Rs. 10 lakh thereafter
Debenture Trustee	IDBI Trusteeship Services Limited or such other agency as the Company may appoint from time to time
Deemed Date of Allotment	Within 4 working days from the issue close date
Listing	On the Wholesale Debt Market (WDM) Segment of the BSE Limited or such other stock exchanges as may be required
Business Day	If the coupon payment date or maturity date, falls on a Sunday or a holiday the coupon payment shall be made in accordance with the trust deed.
Settlement	Payment of interest and repayment of principal shall be made by way of cheque(s) /

Registered Office : Radhika, 2nd Floor, Law Garden Road, Navrangpura, Ahmedabad - 380 005.

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	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 and Chief Financial Officer of the Company (collectively referred as the "Authorized Signatories"), are hereby severally authorized to further sub-delegate its powers to any employee of the Company and to discuss, negotiate and finalize the terms and conditions for each tranche(s) of NCDs with the Investor(s), agree to such changes and modifications in the said terms and conditions as they deem fit;

RESOLVED FURTHER THAT the Authorized Signatories are hereby severally authorized on behalf of the Company to sign Information Memorandum(s) / Private Placement Offer cum Application Letter (s) and all other concerned agreements, deeds, letters, documents and papers and to submit the same for registration with the concerned Sub-Registrar of Assurance, to finalize terms and conditions for appointment of Debenture Trustee, Registrar to the Issue, Arranger(s), Collecting Banker(s) and such other agencies as may be required and to create charge on the assets of the Company and to do all such acts as may be required, for the proposed NCDs issue;

RESOLVED FURTHER THAT the Authorized Signatories 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 creation of requisite security for the NCDs, for issue of NCDs, for submitting the same with Stock Exchange(s), National Securities Depository Limited, Central Depository Services (India) Limited, in connection with allotment, dematerialization, listing of the proposed NCDs 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 and / or Company Secretary of the Company, 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, 2013 and Rules made there under including applicable RBI Circulars (as may be amended from time to time);

RESOLVED FURTHER THAT the Authorized Signatories are severally authorized to sub-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 aforesaid Authorized Signatories and / or Company Secretary of the Company;

RESOLVED FURTHER THAT a copy of the aforesaid resolutions certified to be true by any one of the Authorized Signatories and / 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

DATE: _____
 SIGNED: _____
 WIT: _____

Dipit Khundehwal
Company Secretary
Membership No. A25592

May 16, 2021

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HDB Financial Services Limited
 Ground Floor, Zenith House,
 Keshavnagar Khadye Marg,
 Opp. Race Course, Mahasarakam,
 Mumbai - 400034.
 Tel : 022 - 39586300
 Fax : 022 - 39586666
 Web : www.hdbfs.com
 CIN : U63999GJ2007PLC051028
 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 authorized 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 authorized 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 Khosla
 Company Secretary
 M. No. A15582

July 1, 2021



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

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HDB Financial Services Limited
 Ground Floor, Zenith House,
 Keshavnagar, Khadije Marg,
 Opp. Race Course, Mahatma,
 Mumbai - 400034.
 Tel: 022 - 38586300
 Fax: 022 - 38586556
 Web: www.hdbfs.com
 CIN: U65993GJ2007PLC05183R
 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/bench 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:

- Non-Convertible Debentures (NCDs) up to a limit of Rs. 18,109.90 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. 9,453.80 crore. The limit of Rs. 8,654.90 crore is available for further issuance of NCDs.
- 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.
- 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.
- 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. 8,654.90 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:



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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. 11,854.90 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. 11,854.90 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

Dipali Khadkekar
Company Secretary (M. No. A25592)
July 1, 2021



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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 3273 0545 / 5455 F: +91 22 3273 3437 www.bseindia.com
Corporate Identity Number: 1871204MH2005PLC155149



DCS/COMP/MK/JP-PPDI/127/21-22

August 20, 2021

HDB FINANCIAL SERVICES LIMITED
Radhika, 2 nd Floor, Law Garden Road, Navrangpura, Ahmedabad - 380 005 Tel: +91 079-30482717

Dear Sir,

Re: Private Placement For issue of upto 75,000 Secured, Rated, Listed, Redeemable Non-Convertible Debentures of Face Value of RS.10 lakh each, aggregating up to RS. 7500 Cr (THE "DEBENTURES" or "NCDs"), to be issued in one or more tranches/series (THE "ISSUE")

We acknowledge receipt of your application on the online portal on August 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)

BSE - CONFIDENTIAL

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BSE Limited Registered Office: Floor 25, P J Towers, Dalal Street, Mumbai - 400 001, India
T : +91 22 2372 2043 / 8955 F : +91 22 2372 3457 www.bseindia.com
Corporate Identity Number: U57129MH2005PLC126188



It is advised that Face Value of NCDs issue through private placement basis should be kept as mentioned under Chapter V of SEBI Circular No SEBI/HQ/DOHS/P/CIR/2021/613 dated August 10, 2021 for face value.

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/HQ/DOHS/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/-
Rupai Khandelwal
Assistant General Manager

Sd/-
Raghavendra Bhat
Deputy Manager

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Redeemable Non-Convertible Debentures on a private placement basis
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ANNEXURE X

FORMAT OF TRANCHE PLACEMENT MEMORANDUM

Tranche [●]

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Shelf Placement Memorandum for Issue of Secured Rated Listed Redeemable
Non-Convertible Debentures on a private placement basis
[●], 2021



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 [●] ([●]) Secured, Rated, Listed, Redeemable Non-Convertible Debentures ("Tranche [●] Debentures") of the face value of Rs. 10,00,000/- (Rupees Ten Lakh 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 [●] Debentures 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.

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:

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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.

IV. Any other changes

[●]

SECTION II

OTHER MATERIAL CHANGES

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

[●]

SECTION III

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SUMMARY TERM SHEET FOR TRANCHE [●] DEBENTURES

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	Secured, Rated, Listed, Redeemable, Non-convertible Debentures.
Nature of Instrument	Secured
Seniority	Senior
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 [●] Debentures 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 [●] Debentures beyond 4 (Four) trading days from the Issue Closing Date, the Company shall (i) make payment to the Debenture Holders of 1% (One Percent) per annum over the Coupon Rate from the Deemed Date of Allotment till the listing of such Tranche [●] Debentures; and (ii) be permitted to utilize 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 of the Tranche [●] Debentures.
Rating of the Instrument	[●]
Issue Size	The aggregate size of the Issue is for upto Rs. 7500,00,00,000/- (Rupees Seven Thousand and Five Hundred Crores only) out of which this Issue of Tranche [●] Debentures 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".	[●]

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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	Fixed
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 [•] Debentures 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 Allotment.
Default Interest Rate	In case of default in payment of Coupon and/ or redemption of the principal amount of the Debentures 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. 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 Debenture Holders, over and above the Coupon Rate, till the execution of the Trust Deed.
Tenor	[•]
Redemption Date	[•]
Redemption Amount	[•]
Redemption Premium/ Discount	[•]
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	[•]
Put Option Date	[•]
Put Option Price	[•]
Call Option Date	[•]

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Call Option Price	[●]
Put Notification Time	[●]
Call Notification Time	[●]
Rollover Option	[●]
Face Value	Rs. 10,00,000/- (Rupees Ten Lakhs Only) per Debenture
Minimum Application and in multiples of ___ Debt securities thereafter	10 Debentures and in multiples of 1 Debenture thereafter.
Issue Timing	[●]
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	The pay-in of subscription monies for the Debentures 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. For amounts payable by the Issuer to any Debenture 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 Debenture Holder shall be the mode of settlement.
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	If any Coupon Payment Date in respect of the Tranche [●] Debentures 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 [●] Debentures 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. If the Maturity Date / 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 [●] Debentures falls on a day which is not a Business Day, then the immediately preceding Business Day shall be the due date for such payment.
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 Debenture Holder(s) who shall be entitled

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	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.
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 debenture holder over and above the coupon rate as specified in the Trust Deed and disclosed in the Offer Document/Shelf Placement Memorandum.	<u>Description of Security</u> The Debentures being issued under this Tranche Placement Memorandum shall be secured through first and exclusive charge by hypothecation over the specific identified receivables of the Issuer or such other security as may be identified by the Company as set out in the Debenture Trust Deed and/ or the Deed of Hypothecation. <u>Asset Cover and its maintenance</u> The Company shall, during the currency of the Debentures, maintain a minimum asset cover which shall be 1.10 (One decimal point One Zero) times of the outstanding principal amount and the accrued Coupon, or such other asset cover as may be required in relation to a particular Tranche under the relevant Tranche Placement Memorandum ("Asset Cover"). The Company shall, prior to the issue of Tranche [●] Debentures, provide the Trustee with a Supplemental Receivables Schedule identifying the aggregate Receivables that are charged in favour of the Trustee so as to maintain the required Asset Cover in accordance with the terms of the Debenture Trust Deed or the relevant Tranche Placement Memorandum. Each Supplemental Receivables Schedule shall form an integral part of the Deed of Hypothecation and a first ranking and exclusive continuing charge in the nature of a hypothecation shall be deemed to be <i>ipso facto</i> created and perfected over the receivables identified and set out therein, without requiring any further act to be done by the Company. Within 30 (Thirty) days from the end of each financial quarter or at such other time as may be necessary, the Company shall deliver to the Trustee, the Supplemental Receivables Schedule duly certified by a practicing chartered accountant and the managing director of the Company of aggregate receivables hypothecated on exclusive basis in favour of the Trustee which shall provide requisite Asset Cover on the outstanding Debentures and shall certify its value. It is clarified that if the value of the Hypothecated Assets identified under Schedule I of the Deed of Hypothecation and in the Supplemental Receivables Schedules (as defined in the Deed of Hypothecation) submitted from time to time gets diminished, the Company shall within 30 (Thirty) calendar days from the end of each financial quarter ("Top-Up Date") also provide the Trustee with a Supplemental Receivables Schedule identifying further Receivables (i.e. an updated list of the Loans comprising the Receivables on quarterly basis along with such other certifications in respect of the Loans constituting the Receivables as may be required by Trustee) so as to maintain the Asset Cover in accordance with the terms of the Trust Deed or the relevant Tranche Placement Memorandum. Pursuant to the Top-up, the Company shall take all steps necessary to perfect such security at its own cost including filing the necessary forms for recording the modification of the charge with the applicable registrar of companies. Any substitution, addition and/or replacement of the Hypothecated Assets shall be made under the terms of the Deed of Hypothecation. The Company hereby undertakes that the Receivables on which charge has been created are free from any encumbrances.

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	<u>Release of Excess Hypothecated Assets</u> Notwithstanding anything contained in the Deed of Hypothecation, in the event that the Hypothecated Assets are of a book value greater than that required for the maintenance of the Asset Cover, the Company shall be entitled to require the Trustee to release the excess Hypothecated Assets such that the Hypothecated Assets remaining after such release would be sufficient for maintenance of the Asset Cover ("Released Assets"). The Company shall, for such release, issue a letter to the Trustee substantially in the format set out in Schedule II of the Deed of Hypothecation describing the Hypothecated Assets to be released ("Release Request Letter"). The Trustee shall effectuate such release by issuing a no objection letter in response to the Release Request Letter and shall also, if requested by the Company execute all such documents as may be required for such release. The Release Request Letter shall be accompanied by a certificate from the independent chartered accountant of the Company confirming to the Debenture Trustee in writing the amount of Released Assets and that the Asset Cover Ratio shall be maintained post such excess release. The Debenture Trustee shall not be required to provide any notice to or obtain any consent of the Debenture Holders for issuing the non-objection letter and releasing the excess Hypothecated Assets under the terms hereof. The Trustee shall not be liable for any consequences for having acted in terms hereof and having made such release. The Released Assets shall not be construed to be a part of the Security and the Company shall be entitled to deal with the Released Assets in the manner it deems fit. <u>Creation and Perfection</u> The Company shall execute Debenture Trust Deed and Deed of Hypothecation prior to listing of the Debentures and perfect the same by filing requisite forms with ROC within 30 (Thirty) days, or such other time as permitted under Applicable Law, of creation of charge. The Issuer shall cooperate with the Trustee to enable it to make necessary filings in connection with the creation of Security over the Hypothecated Assets with the CERSAI, within the timelines as specified under Applicable Law from the date of creation of security over the Hypothecated Assets in respect of any Tranche/ Series. The Debentures shall be considered to be secured only in the event the Hypothecated Assets are registered with the relevant ROC or CERSAI or Depository, as applicable or is independently verifiable by the Trustee. <u>Due Diligence</u> The Trustee shall exercise independent due diligence to ensure that the Security is free from any encumbrances in accordance with the applicable circulars / notifications issued by the SEBI including under the provisions of the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993 (as amended from time to time), and as also set out in detail under the terms of the Debenture Trustee Agreement.
Transaction Documents	This Shelf Placement Memorandum, Tranche Placement Memorandum, Deed of Hypothecation, Debenture Trust Deed, Debenture 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 Debenture Trustee as a Transaction Document.
Conditions Precedent to Disbursement	[●]
Conditions Subsequent to	[●]

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Disbursement			
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	Details and purpose of the recovery expense fund: The Company shall create and maintain a recovery expense fund in the manner as specified in the SEBI Circular dated October 22, 2020 vide reference no. SEBI/HO/MIRSD/CRADT/CIR/P/2020/207 and as may be supplemented or amended from time to time, and inform the Debenture Trustee about the same. The recovery expense fund may be utilized by the Debenture Trustee upon occurrence of an Event of Default, for taking appropriate legal actions to enforce the Security in accordance with the relevant SEBI circulars.		
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 Debenture 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. Please also refer to "Governing law" provisions set out below.		
Due Diligence Certificate	The issuer shall submit the due diligence certificate provided by the Trustee, to BSE in accordance with the applicable SEBI regulations, including but not limited to the SEBI circular dated November 03, 2020 (bearing reference no SEBI/HO/MIRSD/CRADT/CIR/P/2020/218). Such due diligence certificate will be annexed to relevant Tranche Placement Memorandum for each Tranche/ Series.		
Mode of bidding in the issue	As per the relevant Tranche Placement Memorandum		
Manner of settlement	Through Indian Clearing Corporation Limited (ICCL) as per the details set out below		
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.10,00,000/- (Rupees Ten Lakhs Only) thereafter.		
Terms and conditions of debenture trustee agreement including fees charged by debenture trustees(s), details of security to be created and process of due diligence carried out by the debenture trustee	Please refer to Annexure VI of the Shelf Placement Memorandum.		
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	

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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 half-yearly 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.
- While the debt securities are secured to the tune of 110% of the principal and interest amount or as per the terms of the Disclosure Documents, in favour of Debenture Trustee, it is the duty of the Debenture Trustee to monitor that the Security is maintained.

Illustration of Cashflows

Name of the Issuer	HDB Financial Services Limited
Face Value (per security)	Rs. 10,00,000/- (Rupees Ten Lakhs Only) per Debenture
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

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1st coupon			
2nd coupon			
3rd coupon			
4th coupon			
5th coupon			
Total			

Scenario 1: When Put 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 Put 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			

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:

Private and Confidential – For Private Circulation Only
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Redeemable Non-Convertible Debentures on a private placement basis
August 20, 2021

Shelf Placement Memorandum issued in conformity with 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.

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. Due Diligence Certificate for Tranche [●] Debentures issued by the Debenture Trustee
2. Press Release for Credit Rating and Rating Rating Rationale

- i. Series 2021 A/1(FX)/169_Option 1_1
- ii. Series 2021 A/0(ZC)/169_Option 2_1
- iii. Series 2021 A/1(FX)/169_Option 3_1



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

Tranche Placement Memorandum for Series 2021 / 169 under Shelf Placement Memorandum dated August 20, 2021

Date: September 09, 2021

Type of Placement Memorandum: Private Placement

Private Placement of upto 14000 (including green shoe Option) Secured, Rated, Listed, Redeemable Non-Convertible Debentures ("Series 2021 / 169 Debentures") of the face value of Rs. 10,00,000/- (Rupees Ten Lakh only) each for cash aggregating upto Rs. 300,00,00,000/- (Rupees Three Hundred Crore Only) with Green Shoe Option of upto Rs. 1100,00,00,000/- (Rupees One Thousand One Hundred Crore Only) to retain total subscription upto Rs. 1400,00,00,000/- (Rupees One Thousand Four Hundred Crore only) issued under the Shelf Placement Memorandum dated August 20, 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 August 20, 2021. 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 Series 2021 / 169 Debentures 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.

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

- i. Series 2021 A/1(FX)/169_Option 1_1
- ii. Series 2021 A/0(ZC)/169_Option 2_1
- iii. Series 2021 A/1(FX)/169_Option 3_1

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: September 03, 2021 by CARE Ratings Limited and September 07, 2021 by CRISIL Ratings Limited

Date of Rating Rational/Press Release of Ratings: July 02, 2021 & July 16, 2021 by CARE Ratings Limited and August 13, 2021 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	6.15
After the Issue	6.33

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

There is no change in the audited financial statements provided in the Shelf Placement Memorandum.

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. Any other changes

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

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 (as on date)	Non-Convertible Debentures issued at face value i.e. Rs.10,00,000/- each:				
	Type of security	Nature of Issue	Number of Investors	No of Securities	Issue Price (In Rs.)
	Non Convertible Debenture	Private Placement	23	42910	10,00,000.00
	Non Convertible Debenture	Private Placement	3	2500	10,31,120.79

- i. Series 2021 A/1(FX)/169_Option 1_1
- ii. Series 2021 A/0(ZC)/169_Option 2_1
- iii. Series 2021 A/1(FX)/169_Option 3_1

Sr. No	Category	Pre-issue		Post-issue	
		No. of shares held	(%) of shareholding	No. of shares held	(%) of shareholding
The pre-issue and post issue shareholding pattern of the company (as on date)	A Promoters' holding			The shareholding pattern of the Company shall remain unchanged after the Issue. The Debentures 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	7,36,781	0.09		
	Directors and relatives	7,20,500	0.09		
	Indian public	3,47,57,659	4.40		
	Others (including Non-resident Indians)	12,73,606	0.16		
	Sub-total (B)	3,85,88,546	4.89		
	Grand Total	78,91,85,216	100.00		

SECTION II

OTHER MATERIAL CHANGES

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

None

- i. Series 2021 A/1(FX)/169_Option 1_1
- ii. Series 2021 A/0(ZC)/169_Option 2_1
- iii. Series 2021 A/1(FX)/169_Option 3_1

SECTION II

SUMMARY TERM SHEET

Option 1 - Series 2021 / 169 -Series 2021 A/1(FX)/169_Option 1

Option 2 - Series 2021 / 169 -Series 2021 A/0(ZC)/169_Option 2

Option 3 - Series 2021 / 169 -Series 2021 A/1(FX)/169_Option 3

Security Name (Name of the non-convertible securities which includes (Coupon/dividend, Issuer Name and maturity year) e.g. 8.70% XXX 2015.	HDB/5.49%/Annual/2024_Series 2021 A/1(FX)/169_Option 1 HDB/0%/Discount/2026_Series 2021 A/0(ZC)/169_Option 2 HDB/6.35%/Annual/2026_Series 2021 A/1(FX)/169_Option 3
Issuer	HDB Financial Services Limited
Type of Instrument	Secured, Rated, Listed, Redeemable, Non-convertible Debentures.
Nature of Instrument	Secured
Seniority	Senior
Mode of Issue	Private placement
Eligible Investors	Please refer paragraph " Who can apply " of the Shelf Placement Memorandum dated August 20, 2021
Details of Arrangers (if any)	Series 2021 / 169 -Series 2021 A/1(FX)/169_Option 1: Name: A. K. Capital Services Limited  Regd. Address: 30-38, 3rd Floor, Free Press House, Free Press Journal Marg, 215, Nariman Point, Mumbai - 400021, India Corporate Address: 30-38, 3rd Floor, Free Press House, Free Press Journal Marg, 215, Nariman Point, Mumbai - 400021, India Name of contact person: Ms. Shraddha Joshi E-mail: shraddha.joshi@akgroup.co.in Fax: +91-22-66100594 Tel No: Board: +91-22-67546500 Website: www.akgroup.co.in Series 2021 / 169 -Series 2021 A/0(ZC)/169_Option 2: Name: Derivium Tradition Securities (India) Private Limited  Regd. Address: Eucharistic Congress III, 10 Flr, 5 Convent Road, Colaba, Mumbai - 400 039 Corporate Address: Eucharistic Congress III, 10 Flr, 5 Convent Road, Colaba, Mumbai - 400 039 Name of contact person: Dhwanil Meghani E-mail: dmeghani@deriviumcap.com Fax: 022 6606 4601 Tel No: 0 22 6606 4775 / 776 Website: www.deriviumcap.com

- i. Series 2021 A/1(FX)/169_Option 1_1
- ii. Series 2021 A/0(ZC)/169_Option 2_1
- iii. Series 2021 A/1(FX)/169_Option 3_1

	Series 2021 / 169 -Series 2021 A/1(FX)/169_Option 3: Name: Axis Bank Limited  Regd. Address: Axis House, 4th Floor, Tower 4, Sector-128, Noida-201304 Corporate Address: Axis House, 4th Floor, Tower 4, Sector-128, Noida-201304 Name of contact person: Premanshu Sharma E-mail: Premanshu.Sharma@axisbank.com Fax: 0120-6210860 (D) Tel No: 9999055026 Website: www.axisbank.com
Listing	The Series 2021/169 Debentures is 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. BSE has given its in-principle approval to list the NCDs issued under this Tranche in terms of the Shelf Placement Memorandum vide its letter dated August 20, 2021. In accordance with the SEBI Debt Listing Regulations, in case of a delay by the Company in listing this Tranche Debentures beyond 4 (Four) trading days from the Issue Closing Date, the Company shall (i) make payment to the Debenture Holders of 1% (One Percent) per annum over the Coupon Rate from the Deemed Date of Allotment till the listing of such Tranche Debentures; and (ii) be permitted to utilize 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 of the Tranche Debentures.
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 long term Non-Convertible Debenture issue programme aggregating upto Rs.7500 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. 7500,00,00,000/- (Rupees Seven Thousand and Five Hundred Crores only) out of which this Issue of Series 2021/169 Debentures is for upto Rs. 300,00,00,000/- (Rupees Three Hundred Crore Only) with Green Shoe Option of upto Rs. 1100,00,00,000/- (Rupees One Thousand One Hundred Crore Only) to retain total subscription upto Rs. 1400,00,00,000/- (Rupees One Thousand Four Hundred Crore only) in the manner as specified in the Section 'Base Issue and Green Shoe Option' below.
Option to retain oversubscription (Amount)	Yes, Green Shoe Option of upto Rs. 1100,00,00,000/- (Rupees One Thousand One Hundred Crore Only)
Past Issue history	NA
Base Issue and Green Shoe Option	Series 2021 / 169 -Series 2021 A/1(FX)/169_Option 1: Rs. 100,00,00,000/- (Rupees One Hundred Crore Only) with Green Shoe Option of upto Rs. 600,00,00,000/- (Rupees Six Hundred Crore Only) to retain total subscription upto Rs. 700,00,00,000/- (Rupees Seven Hundred Crore only) Series 2021 / 169 - Series 2021 A/0(ZC)/169_Option 2: Rs. 100,00,00,000/- (Rupees One Hundred Crore Only) with Green Shoe Option of upto Rs. 100,00,00,000/- (Rupees One Hundred Crore Only) to retain total subscription upto Rs. 200,00,00,000/- (Rupees Two Hundred Crore only) Series 2021 / 169 - Series 2021 A/1(FX)/169_Option 3: Rs. 100,00,00,000/- (Rupees One Hundred Crore Only) with Green Shoe Option of upto Rs. 400,00,00,000/- (Rupees Four Hundred Crore Only) to retain total subscription upto Rs. 500,00,00,000/- (Rupees Five Hundred Crore only)

- i. Series 2021 A/1(FX)/169_Option 1_1
- ii. Series 2021 A/0(ZC)/169_Option 2_1
- iii. Series 2021 A/1(FX)/169_Option 3_1

Minimum Subscription	Rs. 1,00,00,000/- (Rupees One Crore Only) i.e. 10 Debentures								
Objects of the Issue / Purpose for which there is requirement of funds	The proceeds of the Issue comprising of this Tranche would be utilised by the Company, inter-alia, for disbursements of loans to borrowers, refinancing existing borrowings, augmenting the business capital requirements of the Company, and for the general corporate purposes of the Company. The funds raised through the Issue will be utilized as per the section "Utilisation of the Proceeds" stipulated below.								
Details of the utilization of the Proceeds.	The Company shall endeavour to utilise the funds raised through the Issue as mentioned below: <table border="1"> <thead> <tr> <th>Purpose</th><th>Percentage of fund raised</th></tr> </thead> <tbody> <tr> <td>For disbursements of loans</td><td>40</td></tr> <tr> <td>For refinancing existing borrowings</td><td>40</td></tr> <tr> <td>For general corporate purposes</td><td>20</td></tr> </tbody> </table> (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".)	Purpose	Percentage of fund raised	For disbursements of loans	40	For refinancing existing borrowings	40	For general corporate purposes	20
Purpose	Percentage of fund raised								
For disbursements of loans	40								
For refinancing existing borrowings	40								
For general corporate purposes	20								
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.								
Interest/Coupon Rate	Series 2021 / 169 - Series 2021 A/1(FX)/169_Option 1: 5.49% p.a. Series 2021 / 169 - Series 2021 A/0(ZC)/169_Option 2: Zero Coupon (xirr-6.35%) Series 2021 / 169 - Series 2021 A/1(FX)/169_Option 3: 6.35% p.a.								
Step Up/Step Down Coupon Rate	NA								
Coupon Payment Frequency	Series 2021 / 169 - Series 2021 A/1(FX)/169_Option 1: Annually Series 2021 / 169 - Series 2021 A/0(ZC)/169_Option 2: N.A. Series 2021 / 169 - Series 2021 A/1(FX)/169_Option 3: Annually								
Coupon Payment Dates	Series 2021 / 169 - Series 2021 A/1(FX)/169_Option 1: Tuesday, September 13, 2022, Wednesday, September 13, 2023, And on maturity i.e. Friday, September 13, 2024 Series 2021 / 169 - Series 2021 A/0(ZC)/169_Option 2: N.A. Series 2021 / 169 - Series 2021 A/1(FX)/169_Option 3: Tuesday, September 13, 2022, Wednesday, September 13, 2023, Friday, September 13, 2024,								

- i. Series 2021 A/1(FX)/169_Option 1_1
- ii. Series 2021 A/0(ZC)/169_Option 2_1
- iii. Series 2021 A/1(FX)/169_Option 3_1

	Saturday, September 13, 2025, And on maturity i.e. Friday, September 11, 2026
Coupon Type	Series 2021 A/1(FX)/169_Option 1: Fixed Series 2021 A/0(ZC)/169_Option 2: Zero Coupon Series 2021 A/1(FX)/169_Option 3: Fixed
Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc.).	NA
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 Debentures 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 Allotment.
Default Interest Rate	In case of default in payment of Coupon and/ or redemption of the principal amount of the Debentures 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. Where the Company fails to execute the trust deed within the period specified in the Companies Act, the Company shall also pay interest of at least 2% (Two Percent) per annum or such other rate, as specified by SEBI to the Tranche Debenture Holders, over and above the Coupon Rate, till the execution of the Trust Deed.
Tenor	Series 2021 / 169 -Series 2021 A/1(FX)/169_Option 1: 1096 days from the deemed date of allotment i.e. Monday, September 13, 2021 Series 2021 / 169 -Series 2021 A/0(ZC)/169_Option 2: 1747 days from the deemed date of allotment i.e. Monday, September 13, 2021 Series 2021 / 169 -Series 2021 A/1(FX)/169_Option 3: 1824 days from the deemed date of allotment i.e. Monday, September 13, 2021
Redemption Date	Series 2021 / 169 -Series 2021 A/1(FX)/169_Option 1: Friday, September 13, 2024 Series 2021 / 169 -Series 2021 A/0(ZC)/169_Option 2: Friday, June 26, 2026 Series 2021 / 169 -Series 2021 A/1(FX)/169_Option 3: Friday, September 11, 2026
Redemption Amount	Rs.10,00,000/- (Rupees Ten Lakhs Only) per Debenture
Redemption Premium/ Discount	Nil
Issue Price	Series 2021 / 169 -Series 2021 A/1(FX)/169_Option 1: Rs.10,00,000/- (Rupees Ten Lakhs Only) per Debenture Series 2021 / 169 -Series 2021 A/0(ZC)/169_Option 2: Rs.7,44,777/- (Rupees Seven Lakhs Forty Four Thousand Seven Hundred Seventy Seven Only) per Debenture Series 2021 / 169 -Series 2021 A/1(FX)/169_Option 3: Rs.10,00,000/- (Rupees Ten Lakhs Only) per Debenture

- i. Series 2021 A/1(FX)/169_Option 1_1
- ii. Series 2021 A/0(ZC)/169_Option 2_1
- iii. Series 2021 A/1(FX)/169_Option 3_1

Pay-in Amount	Series 2021 / 169 -Series 2021 A/1(FX)/169_Option 1: Rs.10,00,000/- per debenture Series 2021 / 169 -Series 2021 A/0(ZC)/169_Option 2: Rs.7,44,777/- per debenture Series 2021 / 169 -Series 2021 A/1(FX)/169_Option 3: Rs.10,00,000/- per debenture
Premium /Discount at which security is issued and the effective yield as a result of such Premium /discount.	Series 2021 / 169 -Series 2021 A/1(FX)/169_Option 1: NA Series 2021 / 169 -Series 2021 A/0(ZC)/169_Option 2: Issued at Discount of Rs. 2,55,223/-per debenture. Effective Yield- 6.35% Series 2021 / 169 -Series 2021 A/1(FX)/169_Option 3: NA
Put Option Date	NA
Put Option Price	NA
Call Option Date	NA
Call Option Price	NA
Put Notification Time	NA
Call Notification Time	NA
Rollover Option	NA
Face Value	Rs. 10,00,000/- (Rupees Ten Lakhs Only) per Debenture
Minimum Application and in multiples of __ Debt securities thereafter	10 Debentures and in multiples of 1 Debenture thereafter.
Issue Timing	Series 2021 / 169 -Series 2021 A/1(FX)/169_Option 1: 10.00 am to 11.00 am Series 2021 / 169 -Series 2021 A/0(ZC)/169_Option 2: 10.00 am to 11.00 am Series 2021 / 169 -Series 2021 A/1(FX)/169_Option 3: 10.00 am to 11.00 am
Issue/ Bid Opening Date	Thursday, September 09, 2021
Issue/ Bid Closing Date	Thursday, September 09, 2021
Date of earliest closing of the issue, if any.	NA
Pay-in Date	Monday, September 13, 2021
Deemed Date of Allotment	Monday, September 13, 2021
Issuance mode of the Instrument	Demat only
Trading mode of the Instrument	Demat only
Settlement mode of the Instrument	The pay-in of subscription monies for the Tranche Debentures 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. For amounts payable by the Issuer to any Debenture 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 Debenture Holder shall be the mode of settlement.
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	If any Coupon Payment Date in respect of the Tranche Debentures falls on a day which is not a Business Day, then the immediately succeeding Business Day shall be the due date for such

- i. Series 2021 A/1(FX)/169_Option 1_1
- ii. Series 2021 A/0(ZC)/169_Option 2_1
- iii. Series 2021 A/1(FX)/169_Option 3_1

	payment, however, the dates of the future Coupon payments in respect of such Tranche Debentures 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. If the Maturity Date / 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 Debentures falls on a day which is not a Business Day, then the immediately preceding Business Day shall be the due date for such payment.
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 Debenture 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.
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 debenture holder over and above the coupon rate as specified in the Trust Deed and disclosed in the Offer Document/Shelf Placement Memorandum.	Description of Security The Debentures being issued under this Tranche Placement Memorandum shall be secured through first and exclusive charge by hypothecation over the specific identified receivables of the Issuer or such other security as may be identified by the Company as set out in the Debenture Trust Deed and/ or the Deed of Hypothecation. Asset Cover and its maintenance The Company shall, during the currency of the Debentures, maintain a minimum asset cover which shall be 1.10 (One decimal point One Zero) times of the outstanding principal amount and the accrued Coupon, or such other asset cover as may be required in relation to a particular Tranche under the relevant Tranche Placement Memorandum ("Asset Cover"). The Company shall, prior to the issue of Tranche Debentures, provide the Trustee with a Supplemental Receivables Schedule identifying the aggregate Receivables that are charged in favour of the Trustee so as to maintain the required Asset Cover in accordance with the terms of the Debenture Trust Deed or the relevant Tranche Placement Memorandum. Each Supplemental Receivables Schedule shall form an integral part of the Deed of Hypothecation and a first ranking and exclusive continuing charge in the nature of a hypothecation shall be deemed to be <i>ipso facto</i> created and perfected over the receivables identified and set out therein, without requiring any further act to be done by the Company. Within 30 (Thirty) days from the end of each financial quarter or at such other time as may be necessary, the Company shall deliver to the Trustee, the Supplemental Receivables Schedule duly certified by a practicing chartered accountant and the managing director of the Company of aggregate receivables hypothecated on exclusive basis in favour of the Trustee which shall provide requisite Asset Cover on the outstanding Debentures and shall certify its value. It is clarified that if the value of the Hypothecated Assets identified under Schedule I of the Deed of Hypothecation and in the Supplemental Receivables Schedules (as defined in the Deed of Hypothecation) submitted from time to time gets diminished, the Company shall within 30 (Thirty) calendar days from the end of each financial quarter ("Top-Up Date") also provide the Trustee with a Supplemental Receivables Schedule identifying further Receivables (i.e. an updated list of the Loans comprising the Receivables on quarterly basis along with such other certifications in respect of the Loans constituting the Receivables as may be required by Trustee) so as to maintain the Asset Cover in accordance with the terms of the Trust Deed or the relevant Tranche Placement Memorandum. Pursuant to the Top-up, the Company shall take

- i. Series 2021 A/1(FX)/169_Option 1_1
- ii. Series 2021 A/0(ZC)/169_Option 2_1
- iii. Series 2021 A/1(FX)/169_Option 3_1

	all steps necessary to perfect such security at its own cost including filing the necessary forms for recording the modification of the charge with the applicable registrar of companies. Any substitution, addition and/or replacement of the Hypothecated Assets shall be made under the terms of the Deed of Hypothecation. The Company hereby undertakes that the Receivables on which charge has been created are free from any encumbrances. <u>Release of Excess Hypothecated Assets</u> Notwithstanding anything contained in the Deed of Hypothecation, in the event that the Hypothecated Assets are of a book value greater than that required for the maintenance of the Asset Cover, the Company shall be entitled to require the Trustee to release the excess Hypothecated Assets such that the Hypothecated Assets remaining after such release would be sufficient for maintenance of the Asset Cover ("Released Assets"). The Company shall, for such release, issue a letter to the Trustee substantially in the format set out in Schedule II of the Deed of Hypothecation describing the Hypothecated Assets to be released ("Release Request Letter"). The Trustee shall effectuate such release by issuing a no objection letter in response to the Release Request Letter and shall also, if requested by the Company execute all such documents as may be required for such release. The Release Request Letter shall be accompanied by a certificate from the independent chartered accountant of the Company confirming to the Debenture Trustee in writing the amount of Released Assets and that the Asset Cover Ratio shall be maintained post such excess release. The Debenture Trustee shall not be required to provide any notice to or obtain any consent of the Debenture Holders for issuing the non-objection letter and releasing the excess Hypothecated Assets under the terms hereof. The Trustee shall not be liable for any consequences for having acted in terms hereof and having made such release. The Released Assets shall not be construed to be a part of the Security and the Company shall be entitled to deal with the Released Assets in the manner it deems fit. <u>Creation and Perfection</u> The Company shall execute Debenture Trust Deed and Deed of Hypothecation prior to listing of the Debentures and perfect the same by filing requisite forms with ROC within 30 (Thirty) days, or such other time as permitted under Applicable Law, of creation of charge. The Issuer shall cooperate with the Trustee to enable it to make necessary filings in connection with the creation of Security over the Hypothecated Assets with the CERSAI, within the timelines as specified under Applicable Law from the date of creation of security over the Hypothecated Assets in respect of any Tranche/ Series. The Debentures shall be considered to be secured only in the event the Hypothecated Assets are registered with the relevant ROC or CERSAI or Depository, as applicable or is independently verifiable by the Trustee. <u>Due Diligence</u> The Trustee shall exercise independent due diligence to ensure that the Security is free from any encumbrances in accordance with the applicable circulars / notifications issued by the SEBI including under the provisions of the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993 (as amended from time to time), and as also set out in detail under the terms of the Debenture Trust Agreement.
Transaction Documents	Shelf Placement Memorandum, Tranche Placement Memorandum, Deed of Hypothecation, Debenture Trust Deed, Debenture Trustee Agreement and the Private Placement Offer Cum Application Letter, as amended from time to time, and any other document that may be

- i. Series 2021 A/1(FX)/169_Option 1_1
- ii. Series 2021 A/0(ZC)/169_Option 2_1
- iii. Series 2021 A/1(FX)/169_Option 3_1

	designated by the Debenture Trustee as a Transaction Document.
Conditions Precedent to Disbursement	The Issuer shall deliver to the Debenture Trustee, a certified true copy of the Issuer's constitutional documents, registration certificate and certificate of incorporation, as amended up-to-date; (i) The Issuer shall deliver to the Debenture Trustee, consent letter from the Debenture Trustee conveying their consent to act as Debenture Trustees for the Debenture Holder(s); (ii) The Issuer shall deliver to the Debenture Trustee, a certified true copy of the resolution of the Board of Directors authorising the issue of Debentures and also the execution of the necessary documents in that behalf; (iii) The Issuer shall obtain the in-principle approval for listing the Debentures on the WDM segment of the Stock Exchange; (iv) The Issuer shall deliver to the Debenture Trustee, a copy of the rating letters in relation to the Debentures issued by the Rating Agencies; (v) Due Diligence Certificate with respect to the Debentures. Such other Conditions Precedent as set out in the Transaction Documents.
Conditions Subsequent to Disbursement	(i) Filing of the relevant documents required to be filed with the Registrar of Companies, <i>inter alia</i>, the return of allotment within the timelines specified under the Act and the rules made thereunder; (ii) Completion of listing of the Debentures on the WDM segment of the Stock Exchange; (iii) Credit of the Debentures in the demat account(s) of the allottees; Such other Conditions Subsequent as set out in the Transaction Documents.
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	Details and purpose of the recovery expense fund: The Company has created a recovery expense fund with BSE and shall maintain the fund in the manner as specified in the SEBI Circular dated October 22, 2020 vide reference no. SEBI/HO/MIRSD/CRADT/CIR/P/2020/207 and as may be supplemented or amended from time to time, and inform the Debenture Trustee about the same. The recovery expense fund may be utilized by the Debenture Trustee upon occurrence of an Event of Default, for taking appropriate legal actions to enforce the Security in accordance with the relevant SEBI circulars.
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	Nil
Role and Responsibilities of Trustee	To oversee and monitor the overall transaction for and on behalf of the Debenture 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. Please also refer to “Governing law” provisions set out below.
Due Diligence Certificate	The Issuer shall submit the due diligence certificate provided by the Trustee, to BSE in accordance with the applicable SEBI regulations, including but not limited to the SEBI circular dated November 03, 2020 (bearing reference no SEBI/HO/MIRSD/CRADT/CIR/P/2020/218). Such due diligence certificate is annexed hereto.
Manner of bidding in the issue	Open bidding
Manner of settlement	Through Indian Clearing Corporation Limited (ICCL)
Settlement cycle	Settlement shall be on T+1 day

- i. Series 2021 A/1(FX)/169_Option 1_1
- ii. Series 2021 A/0(ZC)/169_Option 2_1
- iii. Series 2021 A/1(FX)/169_Option 3_1

Manner of allotment	Uniform Price (Fixed Rate bidding)		
Minimum Bid Lot	Rs.1,00,00,000 (Rupees One Crore Only) and in the Multiples of Rs.10,00,000/- (Rupees Ten Lakhs Only) thereafter.		
Terms and conditions of debenture trustee agreement including fees charged by debenture trustees(s), details of security to be created and process of due diligence carried out by the debenture trustee	Please refer to Annexure VI of the Shelf Placement Memorandum.		
Terms of raising of securities	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 half-yearly 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 shall be disclosed by the Company.
- b. 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.
- c. While the debt securities are secured to the tune of 110% of the principal and interest amount or as per the terms of the Disclosure Documents, in favour of Debenture Trustee, it is the duty of the Debenture Trustee to monitor that the Security is maintained.

Illustration of Cashflows

Name of the Issuer	HDB Financial Services Limited
Security Name	HDB/5.49%/Annual/2024_Series 2021 A/1(FX)/169_Option 1 HDB/0%/Discount/2026_Series 2021 A/0(ZC)/169_Option 2 HDB/6.35%/Annual/2026_Series 2021 A/1(FX)/169_Option 3
Face Value (per security)	Rs.10,00,000/- (Rupees Ten Lakhs Only) per Debenture
Deemed Date of Allotment	Monday, September 13, 2021
Tenor	Series 2021 / 169 -Series 2021 A/1(FX)/169_Option 1: 1096 days from the deemed date of allotment i.e. Monday, September 13, 2021 Series 2021 / 169 -Series 2021 A/0(ZC)/169_Option 2: 1747 days from the deemed date of allotment i.e. Monday, September 13, 2021 Series 2021 / 169 -Series 2021 A/1(FX)/169_Option 3: 1824 days from the deemed date of allotment i.e. Monday, September 13, 2021

- i. Series 2021 A/1(FX)/169_Option 1_1
- ii. Series 2021 A/0(ZC)/169_Option 2_1
- iii. Series 2021 A/1(FX)/169_Option 3_1

	Series 2021 / 169 -Series 2021 A/1(FX)/169_Option 1: Friday, September 13, 2024
	Series 2021 / 169 -Series 2021 A/0(ZC)/169_Option 2: Friday, June 26, 2026
Redemption Date	Series 2021 / 169 -Series 2021 A/1(FX)/169_Option 3: Friday, September 11, 2026
	Series 2021 / 169 -Series 2021 A/1(FX)/169_Option 1: 5.49% p.a.
	Series 2021 / 169 -Series 2021 A/0(ZC)/169_Option 2: Zero Coupon (xirr-6.35%)
Coupon Rate	Series 2021 / 169 -Series 2021 A/1(FX)/169_Option 3: 6.35% p.a.
Frequency of the interest payment with specified dates	Series 2021 / 169 -Series 2021 A/1(FX)/169_Option 1: Payable Annually, Tuesday, September 13, 2022, Wednesday, September 13, 2023 And on maturity i.e. Friday, September 13, 2024 Series 2021 / 169 -Series 2021 A/0(ZC)/169_Option 2: N.A. Series 2021 / 169 -Series 2021 A/1(FX)/169_Option 3: Payable Annually, Tuesday, September 13, 2022, Wednesday, September 13, 2023, Friday, September 13, 2024, Saturday, September 13, 2025 And on maturity i.e. Friday, September 11, 2026
Day Count Convention	Actual/Actual

NCD Series 2021 / 169 -Series 2021 A/1(FX)/169_Option 1:

Cash Flows	Date	Day	No. Of Days in Coupon Period	Amount in Rupees per debenture of Rs.10 lakh
1 st coupon	September 13, 2022	Tuesday	365	54,900.00
2 nd coupon	September 13, 2023	Wednesday	365	54,900.00
3 rd coupon	September 13, 2024	Friday	366	54,900.00
Principal Repayment	September 13, 2024	Friday	N.A.	10,00,000.00

- i. Series 2021 A/1(FX)/169_Option 1_1
- ii. Series 2021 A/0(ZC)/169_Option 2_1
- iii. Series 2021 A/1(FX)/169_Option 3_1

NCD Series 2021 / 169 -Series 2021 A/0(ZC)/169_Option 2:

Cash Flows	Date	Day	No. Of Days in Coupon Period	Amount in Rupees per debenture of Rs.10 lakh
Principal Inflow	September 13, 2021	Monday	N.A.	7,44,777.00
Principal Repayment	June 26, 2026	Friday	N.A.	10,00,000.00

NCD Series 2021 / 169 - Series 2021 A/1(FX)/169_Option 3:

Cash Flows	Date	Day	No. Of Days in Coupon Period	Amount in Rupees per debenture of Rs.10 lakh
1 st coupon	September 13, 2022	Tuesday	365	63,500.00
2 nd coupon	September 13, 2023	Wednesday	365	63,500.00
3 rd coupon	September 13, 2024	Friday	366	63,500.00
4 th coupon	September 13, 2025	Saturday	365	63,500.00
5 th coupon	September 11, 2026	Friday	363	63,152.05
Principal Repayment	September 11, 2026	Friday	N.A.	10,00,000.00

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

- i. Series 2021 A/1(FX)/169_Option 1_1
- ii. Series 2021 A/0(ZC)/169_Option 2_1
- iii. Series 2021 A/1(FX)/169_Option 3_1

- 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: Haren Parekh

Title: Chief Financial Officer

Date: September 09, 2021

Encl: Due Diligence Certificate issued by the Debenture Trustee

- i. Series 2021 A/1(FX)/169_Option 1_1
- ii. Series 2021 A/0(ZC)/169_Option 2_1
- iii. Series 2021 A/1(FX)/169_Option 3_1

IDBI Trusteeship Services Ltd.

CIN : U65991MH2001GOI131154



32302/ITSL/OPR/2021-22

To,
BSE Limited
25th Floor, P.J. Towers, Dalal Street,
Mumbai – 400 001

**DUE DILIGENCE CERTIFICATE TO BE GIVEN BY THE DEBENTURE TRUSTEE AT THE TIME OF FILING THE DRAFT
OFFER DOCUMENT OR INFORMATION MEMORANDUM**

Dear Sir/Madam,

SUB: The total issue size aggregating upto INR 1600 crores (to be issued in one or more tranche/series) under
Umbrella Consent of INR 7,500 crores by HDB Financial Services Limited.

We, the debenture trustee(s) to the above mentioned forthcoming issue state as follows:

1. We have examined documents pertaining to the said issue and other such relevant documents, reports and certifications.
2. On the basis of such examination and of the discussions with the Issuer, its directors and other officers, other agencies and on independent verification of the various relevant documents, reports and certifications, WE CONFIRM that:
 - a) The Issuer has made adequate provisions for and/or has taken steps to provide for adequate security for the debt securities to be issued.
 - b) The Issuer has made all the relevant disclosures about the security and also its continued obligations towards the holders of debt securities.
 - c) Issuer has adequately disclosed all consents/ permissions required for creation of further charge on assets in offer document or private placement memorandum/ information memorandum and all disclosures made in the offer document or private placement memorandum/ information memorandum with respect to creation of security are in confirmation with the clauses of debenture trustee agreement.
 - d) Issuer has disclosed all covenants proposed to be included in debenture trust deed (including any side letter, accelerated payment clause etc.), offer document or private placement memorandum/ information memorandum.
 - e) Issuer has given an undertaking that charge shall be created in favour of debenture trustee as per terms of issue before filing of listing application.

We have satisfied ourselves about the ability of the Issuer to service the debt securities.

You are requested to refer our letter enclosed herewith.

PLACE: Mumbai

DATE: September 07, 2021

For IDBI Trusteeship Services Limited

Aditya Kapil
Sr. Vice President

Regd. Office : Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai - 400 001.
Tel. : 022-4080 7000 • Fax : 022-6631 1776 • Email : itsl@idbitrustee.com • response@idbitrustee.com
Website : www.idbitrustee.com

- i. Series 2021 A/1(FX)/169_Option 1_1
- ii. Series 2021 A/0(ZC)/169_Option 2_1
- iii. Series 2021 A/1(FX)/169_Option 3_1

IDBI Trusteeship Services Ltd.

CIN : U65991MH2001GOI131154

Ref.: 32302(A)/ITSL/OPR/2021-22

To,

SECURITIES AND EXCHANGE BOARD OF INDIA



DUE DILIGENCE CERTIFICATE TO BE GIVEN BY THE DEBENTURE TRUSTEE BEFORE OPENING OF THE ISSUE

Dear Sir/Madam,

SUB: The total issue size aggregating upto INR 1600 crores (to be issued in one or more tranche/series) under Umbrella Consent of INR 7,500 crores by HDB Financial Services Limited.

We, the Debenture Trustee (s) to the above mentioned forthcoming issue state as follows:

- (1) We have examined documents pertaining to the said issue and other such relevant documents.
- (2) On the basis of such examination and of the discussions with the issuer, its directors and other officers, other agencies and of independent verification of the various relevant documents, WE CONFIRM that:
 - (a) The issuer has made adequate provisions for and/or has taken steps to provide for adequate security for the debt securities to be issued.
 - (b) The issuer has obtained the permissions / consents necessary for creating security on the said property (ies).
 - (c) The issuer has made all the relevant disclosures about the security and also its continued obligations towards the holders of debt securities.
 - (d) All disclosures made in the offer document with respect to the debt securities are true, fair and adequate to enable the investors to make a well informed decision as to the investment in the proposed issue.

PLACE: Mumbai

DATE: September 07, 2021

For IDBI Trusteeship Services Limited

Aditya Kapil
Sr. Vice President

Regd. Office : Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai - 400 001.
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Website : www.idbitrustee.com