

HDB/SLC/2024/1256

July 13, 2024

To,

| | |
|--|---|
| <p>Listing Compliance Department BSE Limited P J Towers, Dalal Street, Mumbai - 400 001</p> | <p>Listing Compliance Department National Stock Exchange of India Limited Exchange Plaza, BKC, Bandra (East), Mumbai- 400051</p> |
|--|---|

Sub: Submission of Unaudited Financial Results along with Limited Review Report for the quarter ended June 30, 2024, Security Cover Certificate and Statement of utilisation

Dear Sir / Madam,

Pursuant to the provisions of Regulation 51(2) read with Part B of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**SEBI Listing Regulations**”), as amended from time to time, please note that, the Board of Directors of the Company, at its Meeting held today i.e. Saturday, July 13, 2024, have inter-alia, considered and approved the Standalone and Consolidated Unaudited Financial Results for the quarter ended June 30, 2024, duly reviewed by the Audit Committee.

Further, please note that the Joint Statutory Auditors of the Company, M/s. Kalyaniwalla & Mistry LLP and M/s. G D Apte & Co. has submitted Limited Review Report for the quarter ended June 30, 2024 with unmodified opinion.

In terms of Regulation 52 of the SEBI Listing Regulations and Chapter VI of the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 and amendments thereof, we hereby enclose the Standalone and Consolidated Unaudited Financial Results along with the Limited Review Report thereon for the quarter ended June 30, 2024.

The disclosures in compliance with Regulation 52(4) of the SEBI Listing Regulations are disclosed along with the financial results.

Pursuant to Regulation 52(7) and Regulation 52(7A) of the SEBI Listing Regulations the statement of utilisation of issue proceeds of non-convertible securities and statement of deviation/ variation in use of issue proceeds of non-convertible securities for the quarter ended June 30, 2024 are also enclosed.



Pursuant to the provisions of Regulation 54 of the SEBI Listing Regulations, please note that the disclosure of the extent and nature of security created and maintained for secured non-convertible securities of the Company and the security cover certificate is made in the Unaudited Financial Results for the quarter ended June 30, 2024.

You are requested to kindly take the same on record.

This is for your information and appropriate dissemination.

For HDB Financial Services Limited

**Dipti Khandelwal
(Company Secretary)
Membership No. F11340**

Encl.: A/a

G. D. Apte & Co.
Chartered Accountants

Neelkanth Business Park,
5th Floor, Office No. D-509,
Nathani Road, Vidyavihar (West),
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Kalyaniwalla & Mistry LLP
Chartered Accountants

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Maharashtra, India
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Limited Review report on unaudited standalone quarterly financial results under Regulation 52 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015 as amended

TO THE BOARD OF DIRECTORS
HDB Financial Services Limited

1. We have reviewed the accompanying unaudited Statement of Standalone Financial Results of HDB Financial Services Limited (“the Company”) for the quarter ended June 30, 2024, together with the notes thereon, (“the Statement”) attached herewith, being submitted by the Company pursuant to the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, duly initialled by us for identification.
2. This Statement, which is the responsibility of the Company’s Management and approved by the Board of Directors at their respective meetings held on July 13, 2024 has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 ‘Interim Financial Reporting’ ('Ind AS 34'), prescribed under section 133 of the Companies Act, 2013 (“the Act”) read with relevant Rules issued thereunder as applicable and the circulars, guidelines and directions issued by Reserve Bank of India (RBI) from time to time (“RBI guidelines”) and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”, issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with applicable Accounting Standards (Ind AS) and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement or that it has not been prepared in accordance with the relevant prudential norms issued by the Reserve Bank of India in respect of income recognition, asset classification, provisioning and other related matters.



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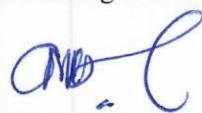
- i. The annual financial statements of the Company for the year ended March 31, 2024, were audited by erstwhile joint auditors whose audit report dated April 16, 2024, expressed an unmodified opinion on those annual financial statements.
- ii. The interim financial results for the quarter ended June 30, 2023, was reviewed by erstwhile joint auditors, whose review report dated July 15, 2023, expressed an unmodified conclusion on those interim financial results.
- iii. The Statement includes the results for the quarter ended March 31, 2024 being the balancing figure between the audited figures in respect of the full financial year ended on that date and the published unaudited year-to-date figures up to the third quarter ended December 31, 2023 prepared in accordance with the recognition and measurement principles laid down in accordance with Ind AS 34 "Interim Financial Reporting" which were subject to limited review by erstwhile auditors.

Our conclusion is not modified in respect of the above matters.

For G. D. Apte & Co.

Chartered Accountants

Firm Registration No: 100515W



C.M. Dixit

Partner

Membership Number: 017532

UDIN: 24017532BKESEG2330



For Kalyaniwalla & Mistry LLP

Chartered Accountants

Firm Registration No: 104607W/W100166



Roshni R. Marfatia

Partner

Membership Number: 106548

UDIN: 24106548BKCSV08833



Place: Mumbai

Date: July 13, 2024

Place: Mumbai

Date: July 13, 2024

Statement of Standalone Financial Results
for the quarter ended June 30, 2024

(Rupees in million)

| Sr. No. | Particulars | Quarter ended | | Year ended |
|-------------|---|---------------|---------------------------|-----------------|
| | | Jun 30, 2024 | Mar 31, 2024 | Jun 30, 2023 |
| | | Reviewed | Audited (Refer Note 5) | Reviewed |
| I | Revenue from operations | | | |
| | Interest income | 32,646 | 30,581 | 25,732 |
| | Sale of services | 3,130 | 3,061 | 5,766 |
| | Other financial charges | 2,862 | 2,734 | 1,969 |
| | Net gain on fair value changes | 202 | 285 | 405 |
| | Net gain/(loss) on derecognised financial instruments | (2) | 7 | (4) |
| | Total Revenue from operations | 38,838 | 36,668 | 33,868 |
| | | | | 1,41,711 |
| II | Expenses | | | |
| | Finance Costs | 14,964 | 13,769 | 10,725 |
| | Impairment on financial instruments | 4,125 | 2,416 | 2,666 |
| | Employee benefits expenses | 9,055 | 8,768 | 10,288 |
| | Depreciation, amortization and impairment | 438 | 404 | 314 |
| | Others expenses | 2,419 | 2,493 | 2,270 |
| | Total expenses | 31,001 | 27,850 | 26,263 |
| | | | | 1,08,664 |
| III | Profit before tax (I-II) | 7,837 | 8,818 | 7,605 |
| IV | Tax expense: | | | |
| | a. Current tax | 2,186 | 668 | 2,298 |
| | b. Deferred tax | (166) | 1,588 | (363) |
| | Total tax expense | 2,020 | 2,256 | 1,935 |
| | | | | 8,439 |
| V | Net Profit for the period/year (III-IV) | 5,817 | 6,562 | 5,670 |
| VI | Other Comprehensive Income/(Loss) (net of tax) | (39) | (91) | (140) |
| VII | Total Comprehensive Income/(Loss) (after tax) (V-VI) | 5,778 | 6,471 | 5,530 |
| | | | | 24,244 |
| VIII | Earnings per equity share (Refer Note 6) | | | |
| | a. Basic (in Rupees) | 7.33 | 8.28 | 7.16 |
| | b. Diluted (in Rupees) | 7.32 | 8.27 | 7.16 |
| | Face value per share (in Rupees) | 10 | 10 | 10 |
| | | | | 31.08 |
| | | | | 31.04 |
| | | | | 10 |

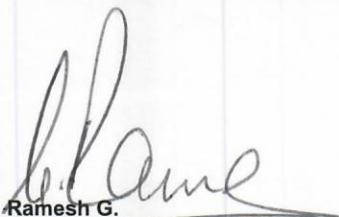


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- 1 HDB Financial Services Limited ('the Company') is a Non-Banking Financial Company registered with the Reserve Bank of India.
- 2 The standalone financial results for the quarter ended June 30, 2024 have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on July 13, 2024, in terms of Regulations 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 3 The standalone financial results have been prepared in accordance with recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ('Ind AS 34') as prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, and other accounting principles generally accepted in India.
- 4 In compliance with Regulation 52 of the Securities Exchange Board of India ('SEBI') (Listing Obligations and Disclosure Requirements) Regulations, 2015, a 'Limited Review' of standalone financial results for the quarter ended June 30, 2024 have been carried out by the Statutory Auditors of the Company.
- 5 The figures for the preceding quarter ended March 31, 2024 are the balancing figures between audited figures in respect of the full previous financial year and the unpublished reviewed year-to-date figures upto third quarter of the previous financial year.
- 6 Earnings per equity share for the quarter ended June 30, 2024, March 31, 2024 and June 30, 2023 have not been annualised.
- 7 The Secured listed non-convertible debt securities of the Company are secured by first pari passu mortgage on immovable property situated at Heera Panna Commercial Complex, 3rd Floor, Dr. Yagnik Road, Rajkot and/or first and exclusive charge on receivables of the Company by way of hypothecation to the extent of minimum 1.0 times of the outstanding principal and interest thereon.
- 8 Information as required by Regulation 52(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached as Annexure 1.
- 9 The disclosure in terms of Ind-AS 108 dealing with 'Operating Segment' as specified under Section 133 of the Companies Act, 2013 is attached as Annexure 2.
- 10 As on June 30, 2024 the security cover available in respect of secured non convertible debt securities is 1.09 and the asset cover available in respect of unsecured non convertible debt securities is 2.48. The security cover certificate as per Regulation 54(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached as Annexure 3.
- 11 Pursuant to Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with SEBI Operational Circular dated August 10, 2021, the Company has listed its Commercial Papers on National Stock Exchange of India Limited (NSE).
- 12 The Reserve Bank of India, under Scale Based Regulations has categorised the Company as Upper Layer (NBFC-UL), vide it's circular dated September 14, 2023.
- 13 Details of loans transferred / acquired during the period ended June 30, 2024 under the RBI Master Direction on Transfer of Loan Exposures dated September 24, 2021 are given below:
 - (i) The company has not transferred any Non-Performing Assets.
 - (ii) The company has not transferred any loan not in default.
 - (iii) The company has not acquired any Special Mention Account.
 - (iv) The company has not acquired any stressed loan and loan not in default.
- 14 Figures for the previous period/year have been regrouped wherever necessary, in order to make them comparable with current period/year.

By Order of the Board
For **HDB Financial Services Limited**


Ramesh G.
 Managing Director & CEO
 DIN : 05291597

Date : July 13, 2024
 Place : Mumbai



HDB Financial Services Limited

Annexure 1.

Disclosures in compliance with Regulations 52(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the quarter ended June 30, 2024

| Sr. No. | Particulars | Quarter ended | | | Year ended |
|---------|---|---------------|--------------|--------------|--------------|
| | | Jun 30, 2024 | Mar 31, 2024 | Jun 30, 2023 | Mar 31, 2024 |
| | | Reviewed | Audited | Reviewed | Audited |
| 1 | Debt-equity ratio (times) ¹ | 5.91 | 5.81 | 5.38 | 5.81 |
| 2 | Debt service coverage ratio | NA | NA | NA | NA |
| 3 | Interest service coverage ratio | NA | NA | NA | NA |
| 4 | Outstanding redeemable preference shares (Quantity) | Nil | Nil | Nil | Nil |
| 5 | Outstanding redeemable preference shares (value) (Rs. in millions) | Nil | Nil | Nil | Nil |
| 6 | Capital redemption reserve (Rs. in millions) | Nil | Nil | Nil | Nil |
| 7 | Debenture redemption reserve (Rs. in millions) | Nil | Nil | Nil | Nil |
| 8 | Net worth (Rs. in millions) ² | 1,32,980 | 1,28,028 | 1,08,728 | 1,28,028 |
| 9 | Net profit after tax (Rs. in millions) | 5,817 | 6,562 | 5,670 | 24,608 |
| 10 | Earnings per equity share (Not annualised for the interim periods) | | | | |
| | Basic (Rs.) | 7.33 | 8.28 | 7.16 | 31.08 |
| | Diluted (Rs.) | 7.32 | 8.27 | 7.16 | 31.04 |
| 11 | Current ratio | 1.16 | 1.22 | 1.17 | 1.22 |
| 12 | Long term debt to working capital | 9.56 | 7.52 | 9.33 | 7.52 |
| 13 | Bad debts to accounts receivable ratio | NA | NA | NA | NA |
| 14 | Current liability ratio | 39.14% | 37.20% | 38.74% | 37.20% |
| 15 | Total debts to total assets | 80.38% | 80.31% | 78.75% | 80.31% |
| 16 | Debtors turnover | NA | NA | NA | NA |
| 17 | Inventory turnover | NA | NA | NA | NA |
| 18 | Operating margin (%) | NA | NA | NA | NA |
| 19 | Net profit margin (%) | 14.98% | 17.90% | 16.74% | 17.36% |
| 20 | Sector specific equivalent ratios | | | | |
| | Capital adequacy ratio (%) | 18.84% | 19.25% | 19.77% | 19.25% |
| | Gross Stage 3 ratio (%) | 1.93% | 1.90% | 2.48% | 1.90% |
| | Liquidity coverage ratio (%) | 240% | 140% | 224% | 140% |
| | Stage 3 provision coverage ratio (%) | 60.24% | 66.82% | 66.11% | 66.82% |

Notes:

- 1) Debt equity ratio is (Debt securities + Borrowings + Subordinated liabilities) / Net worth.
- 2) Net worth is equal to paid up equity share capital plus other equity less deferred tax.




HDB Financial Services Limited

Annexure 2
Standalone Segment Reporting
for the quarter ended June 30, 2024

| Sr. No. | Particulars | Quarter ended | | | (Rupees in million) |
|------------|---|--------------------------|-------------------------|--------------------------|-------------------------|
| | | Jun 30, 2024 Reviewed | Mar 31, 2024 Audited | Jun 30, 2023 Reviewed | Mar 31, 2024 Audited |
| i. | Segment Revenue | | | | |
| | Lending business | 35,708 | 33,608 | 28,102 | 1,22,216 |
| | BPO Services | 3,130 | 3,060 | 5,766 | 19,495 |
| | Unallocated | - | - | - | - |
| | Income from Operations | 38,838 | 36,668 | 33,868 | 1,41,711 |
| ii. | Segment Results | | | | |
| | Lending business | 7,768 | 8,823 | 7,471 | 31,784 |
| | BPO Services | 175 | 68 | 208 | 1,576 |
| | Unallocated | (106) | (73) | (74) | (313) |
| | Profit before tax | 7,837 | 8,818 | 7,605 | 33,047 |
| | Income Tax expenses | | | | |
| | Current tax | 2,186 | 668 | 2,298 | 7,707 |
| | Deferred tax Asset | (166) | 1,588 | (363) | 732 |
| | Net Profit | 5,817 | 6,562 | 5,670 | 24,608 |
| iii. | Capital Employed | | | | |
| | Segment assets | | | | |
| | Lending business | 9,65,742 | 9,14,703 | 7,30,847 | 9,14,703 |
| | BPO Services | 2,047 | 1,050 | 861 | 1,050 |
| | Unallocated | 10,000 | 9,812 | 10,737 | 9,812 |
| | Total Assets | 9,77,789 | 9,25,565 | 7,42,445 | 9,25,565 |
| | Segment Liabilities | | | | |
| | Lending business | 8,29,326 | 7,81,513 | 6,16,290 | 7,81,513 |
| | BPO Services | 3,685 | 1,928 | 2,040 | 1,928 |
| | Unallocated | 2,220 | 4,697 | 4,968 | 4,697 |
| | Total Liabilities | 8,35,231 | 7,88,138 | 6,23,298 | 7,88,138 |
| | Net Segment assets / (liabilities) | 1,42,558 | 1,37,427 | 1,19,147 | 1,37,427 |

a) **Chief Operating Decision Maker**

Operating segments are reported in a manner consistent with the internal reporting to the Chief Operating Decision Maker (CODM). The Managing Director & CEO of the Company has been identified as the CODM as defined by Ind AS 108 Operating Segments, who assesses the financial performance and position of the Company and makes strategic decisions.

b) **Operating Segment**

Primary Segment (Business Segment)

The Company is organised primarily into two operating segments, i.e. Lending business and BPO services. Lending business includes providing finance to retail customers for a variety of purposes like purchase of commercial equipment and commercial vehicles, personal purposes, enterprise loans, etc. Revenue from lending business includes (i) interest income and processing fees net of loan origination costs, (ii) collection-related charges like cheque bouncing charges, late payment charges and foreclosure charges, and (iii) insurance commission. BPO services comprises of sales support services, back office, operations, processing support, running collection call centres and collecting overdue amounts from borrowers.

Secondary Segment (Geographical Segment)

Since the business operations of the Company are primarily concentrated in India, the Company is considered to operate only in the domestic segment and therefore there is no reportable geographic segment.

c) **Segment Revenue and Expense**

Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and expenses which relate to enterprise as a whole and are not allocable to a segment on a reasonable basis have been disclosed as 'Unallocated'.

d) **Segment Assets and Liabilities**

Segment assets and segment liabilities represent assets and liabilities in respective segments. Tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as 'Unallocated'.

e) **Accounting Policies**

The accounting policies consistently used in the preparation of the financial statements are also applied to items of revenue and expenditure in individual segments.





| Annexure 3 Security cover certificate as per Regulation 54(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as on June 30, 2024. (Rupees in million) | | | | | | | | | | | | | | | | | |
|--|--|--|--------------------|--|--|--|--------------------------------|---|-----------------|---|---|---|--|------------------------|-----------------|--|--|
| Column A | Column B | Column C | Column D | Column E | Column F | Column G | Column H | Column I | Column J | Column K | Column L | Column M | Column N | Column O | | | |
| Particulars | Description of asset for which this certificate relate | Exclusive Charge | Exclusive Charge | Pari-Passu Charge | Pari-Passu Charge | Pari-Passu Charge | Assets not offered as Security | Elimination (amount in negative) | Total (C to I) | Related to only those items covered by this certificate | | | | | | | |
| | | Debt for which this certificate being issued | Other Secured Debt | Debt for which this certificate being issued | Assets shared by pari passu debt holder (includes debt for which this certificate is issued & other debt with pari-passu charge) | Other assets on which there is pari-passu charge (excluding items covered in column F) | | Debt amount considered more than once (due to exclusive plus pari passu charge) | | Market Value for Assets charged on Exclusive basis | Carrying/book value for exclusive charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable) | Market Value for Pari passu charge Assets | Carrying value/book value for pari passu charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable) | Total Value(=K+L +M+N) | | | |
| | | Book Value | Book Value | Yes/No | Book Value | Book Value | | | | | | | | Relating to Column F | | | |
| ASSETS | | | | | | | | | | | | | | | | | |
| Property, Plant and Equipment | Immovable Property (Note 1) | - | - | | - | | 1,713 | - | 1,713 | - | 3 | - | - | | 3 | | |
| Capital Work-in-Progress | | - | - | | - | | - | - | - | - | - | - | - | - | - | | |
| Right of Use Assets | | - | - | | - | | 3,622 | - | 3,622 | - | - | - | - | - | - | | |
| Goodwill | | - | - | | - | | - | - | - | - | - | - | - | - | - | | |
| Intangible Assets | | - | - | | - | | 225 | - | 225 | - | - | - | - | - | - | | |
| Intangible Assets under Development | | - | - | | - | | - | - | - | - | - | - | - | - | - | | |
| Investments | | - | - | | - | | 30,313 | - | 30,313 | - | - | - | - | - | - | | |
| Loans | Receivables under financing activities (Note 2) | 4,28,953 | 3,75,875 | | | | 1,16,546 | - | 9,21,374 | - | 4,28,953 | - | - | | 4,28,953 | | |
| Inventories | | - | - | | - | | - | - | - | - | - | - | - | - | - | | |
| Trade Receivables | | - | - | | - | | 2,790 | - | 2,790 | - | - | - | - | - | - | | |
| Cash and Cash Equivalents | | - | - | | - | | 5,717 | - | 5,717 | - | - | - | - | - | - | | |
| Bank Balances other than Cash Equivalents | | | | | | | 507 | - | 507 | - | - | - | - | - | - | | |
| Others | | - | - | | - | | 11,528 | - | 11,528 | - | - | - | - | - | - | | |
| Total | | 4,28,953 | 3,75,875 | | | | 1,72,961 | - | 9,77,789 | - | 4,28,956 | - | - | | 4,28,956 | | |



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| Security cover certificate as per Regulation 54(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as on June 30, 2024. | | | | | | | | | | | | | (Rupees in million) | | | | | |
|---|--|--------------------|--|--|--|-------------------|--------------------------------|---|-----------------|---|---|---|--|------------------------|--|--|--|--|
| Column A | Column B | Column C | Column D | Column E | Column F | Column G | Column H | Column I | Column J | Column K | Column L | Column M | Column N | Column O | | | | |
| Particulars | Description of asset for which this certificate relate | Exclusive Charge | Exclusive Charge | Pari-Passu Charge | Pari-Passu Charge | Pari-Passu Charge | Assets not offered as Security | Elimination (amount in negative) | Total (C to I) | Related to only those items covered by this certificate | | | | | | | | |
| | Debt for which this certificate being issued | Other Secured Debt | Debt for which this certificate being issued | Assets shared by pari passu debt holder (includes debt for which this certificate is issued & other debt with pari-passu charge) | Other assets on which there is pari-passu charge (excluding items covered in column F) | | | Debt amount considered more than once (due to exclusive plus pari passu charge) | | Market Value for Assets charged on Exclusive basis | Carrying/book value for exclusive charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable) | Market Value for Pari passu charge Assets | Carrying value/book value for pari passu charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable) | Total Value(=K+L +M+N) | | | | |
| | Book Value | Book Value | Yes/No | Book Value | Book Value | | | | | | | | | Relating to Column F | | | | |
| LIABILITIES | | | | | | | | | | | | | | | | | | |
| Debt securities to which this certificate pertains | | 3,93,843 | - | Yes | - | - | - | - | 3,93,843 | - | 3,93,843 | - | - | 3,93,843 | | | | |
| Other debt sharing pari-passu charge with above debt | | - | | - | - | - | - | - | - | - | - | - | - | - | | | | |
| Other Debt(Sec) | | - | | - | - | - | 566 | - | 566 | - | - | - | - | - | | | | |
| Subordinated debt | | - | | - | - | - | 46,619 | - | 46,619 | - | - | - | - | - | | | | |
| Borrowings | | - | | - | - | - | - | - | - | - | - | - | - | - | | | | |
| Bank(TL) | | 3,43,642 | | - | - | - | - | 3,43,642 | - | - | - | - | - | - | | | | |
| Debt Securities(PDI) | | - | | - | - | - | 11,996 | - | 11,996 | - | - | - | - | - | | | | |
| Others(CP) | | - | - | - | - | - | 10,333 | - | 10,333 | - | - | - | - | - | | | | |
| Trade payables | | - | - | - | - | - | 3,959 | - | 3,959 | - | - | - | - | - | | | | |
| Lease Liabilities | | - | - | - | - | - | 4,079 | - | 4,079 | - | - | - | - | - | | | | |
| Provisions | | - | - | - | - | - | 3,896 | - | 3,896 | - | - | - | - | - | | | | |
| Others-Liab | | - | - | - | - | - | 16,298 | - | 16,298 | - | - | - | - | - | | | | |
| Total | | 3,93,843 | 3,43,642 | | - | - | 97,746 | - | 8,35,231 | - | 3,93,843 | - | - | 3,93,843 | | | | |
| Cover on Book Value | | 1.09 | | - | - | - | - | - | - | - | - | - | - | - | | | | |
| Cover on Market Value | | 1.09 | | - | - | - | - | - | - | - | - | - | - | - | | | | |
| | Exclusive Security Cover Ratio | 1.09 | | Pari-Passu Security Cover Ratio | NA | | | | | | | | | | | | | |

Notes:

1) The market value of Rs 3 million of the immovable property is on the basis of certified valuation done on April 13, 2024.

2) Receivable under financing activities consist of large number of small ticket loans. This is part of the non trading book where loans are in the nature of held to maturity and created with a sole objective of collecting principal and interest. Therefore company has considered the carrying value (net of allowance) for this certificate.

3) We confirm that the Company has complied with the covenants mentioned in the disclosure documents of the Secured Redeemable Non-convertible Debentures for the period ended June 30, 2024.





G. D. Apte & Co.**Chartered Accountants**

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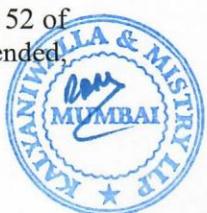
Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results of HDB Financial Services Limited Pursuant to Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

**TO THE BOARD OF DIRECTORS
HDB FINANCIAL SERVICES LIMITED**

1. We have reviewed the accompanying unaudited Statement of Consolidated Financial Results of HDB Financial Services Limited ("the Parent") and its controlled structured entity (the Parent and its controlled structured entities together referred to as "the Group") for the quarter ended June 30, 2024, together with notes thereon, ("the Statement"), attached herewith, being submitted by the Parent pursuant to the requirement of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, duly initialled by us for identification.
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 - Interim Financial Reporting ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, the circulars, guidelines and directions issued by Reserve Bank of India ("RBI") from time to time ("RBI guidelines") and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. The Statement includes the results of the following entities:

| Sr. No. | Name of the entity (Controlled Structured Entity) | Relationship |
|---------|---|------------------------------|
| 1. | HDB Financial Services Limited | Parent |
| 2. | Venus Trust March 2022 | Controlled Structured Entity |

5. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.



including the manner in which it is to be disclosed, or that it contains any material misstatement or that it has not been prepared in accordance with the relevant prudential norms issued by Reserve Bank of India in respect of income recognition , asset classification, provisioning and other related matters.

6. The unaudited Consolidated Financial Results includes the interim financial information of one controlled structured entity which has not been subjected to review or audit by its auditors, whose interim financial information reflect total revenues of Rs. Nil, total net profit after tax of Rs. Nil and total comprehensive income Rs. Nil for the quarter ended June 30, 2024, as considered in the unaudited Consolidated Financial Results. According to the information and explanations given to us by the Management, the interim financial information of the said controlled structured entity is not material to the Group.

Our conclusion on the Statement is not modified in respect of the above matter.

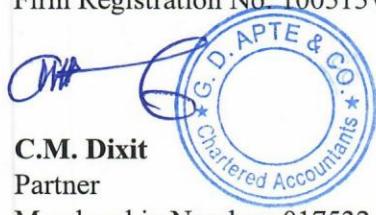
- 7.
- i. The annual financial statements of the Company for the year ended March 31, 2024, were audited by erstwhile auditors whose audit report dated April 16, 2024, expressed an unmodified opinion on those annual financial statements.
 - ii. The interim financial results for the quarter ended June 30, 2023, was reviewed by erstwhile auditors, whose review report dated July 15, 2023, expressed an unmodified conclusion on those interim financial results.
 - iii. The Statement includes the results for the quarter ended March 31, 2024 being the balancing figure between the audited figures in respect of the full financial year ended on that date and the published unaudited year-to-date figures up to the third quarter ended December 31, 2023 prepared in accordance with the recognition and measurement principles laid down in accordance with Ind AS 34 "Interim Financial Reporting" which were subject to limited review by erstwhile auditors..

Our conclusion on the Statement is not modified in respect of the above matters.

For G. D. Apte & Co.

Chartered Accountants

Firm Registration No: 100515W



C.M. Dixit

Partner

Membership Number: 017532

UDIN: 24017532BKESEH2350

Place: Mumbai

Date: July 13, 2024

For Kalyaniwalla & Mistry LLP

Chartered Accountants

Firm Registration No: 104607W/W100166

Roshni R. Marfatia

Partner

Membership Number: 106548

UDIN: 24106548BKCSV9541



Place: Mumbai

Date: July 13, 2024

Statement of Consolidated Financial Results
for the quarter ended June 30, 2024

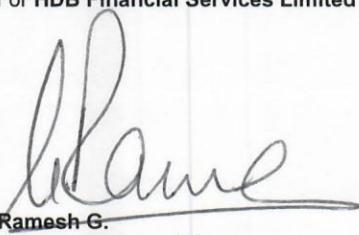
(Rupees in million)

| Sr. No. | Particulars | Quarter ended | | Year ended |
|------------|---|---------------|---------------------------|-----------------|
| | | Jun 30, 2024 | Mar 31, 2024 | Jun 30, 2023 |
| | | Reviewed | Audited (Refer Note 5) | Reviewed |
| I | Revenue from operations | | | |
| | Interest income | 32,646 | 30,581 | 25,732 |
| | Sale of services | 3,130 | 3,061 | 5,766 |
| | Other financial charges | 2,862 | 2,734 | 1,969 |
| | Net gain on fair value changes | 202 | 285 | 405 |
| | Net gain/(loss) on derecognised financial instruments | (2) | 7 | (4) |
| | Total Revenue from operations | 38,838 | 36,668 | 33,868 |
| | | | | 1,41,711 |
| II | Expenses | | | |
| | Finance Costs | 14,964 | 13,769 | 10,725 |
| | Impairment on financial instruments | 4,125 | 2,416 | 2,666 |
| | Employee benefits expenses | 9,055 | 8,768 | 10,288 |
| | Depreciation, amortization and impairment | 438 | 404 | 314 |
| | Others expenses | 2,419 | 2,493 | 2,270 |
| | Total expenses | 31,001 | 27,850 | 26,263 |
| | | | | 1,08,664 |
| III | Profit before tax (I-II) | 7,837 | 8,818 | 7,605 |
| IV | Tax expense: | | | |
| | a. Current tax | 2,186 | 668 | 2,298 |
| | b. Deferred tax | (166) | 1,588 | (363) |
| | Total tax expense | 2,020 | 2,256 | 1,935 |
| | | | | 8,439 |
| V | Net Profit for the period/year (III-IV) | 5,817 | 6,562 | 5,670 |
| VI | Other Comprehensive Income/(Loss) (net of tax) | (39) | (91) | (140) |
| VII | Total Comprehensive Income/(Loss) (after tax) (V-VI) | 5,778 | 6,471 | 5,530 |
| | | | | 24,244 |
| VIII | Earnings per equity share (Refer Note 6) | | | |
| | a. Basic (in Rupees) | 7.33 | 8.28 | 7.16 |
| | b. Diluted (in Rupees) | 7.32 | 8.27 | 7.16 |
| | Face value per share (in Rupees) | 10 | 10 | 10 |
| | | | | 31.08 |
| | | | | 31.04 |
| | | | | 10 |




- 1 HDB Financial Services Limited ('the Group') is a Non-Banking Financial Group registered with the Reserve Bank of India.
- 2 The consolidated financial results for the quarter ended June 30, 2024 have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on July 13, 2024, in terms of Regulations 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 3 The consolidated financial results have been prepared in accordance with recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ('Ind AS 34') as prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, and other accounting principles generally accepted in India.
- 4 In compliance with Regulation 52 of the Securities Exchange Board of India ('SEBI') (Listing Obligations and Disclosure Requirements) Regulations, 2015, a 'Limited Review' of consolidated financial results for the quarter ended June 30, 2024 have been carried out by the Statutory Auditors of the Group.
- 5 The figures for the preceding quarter ended March 31, 2024 are the balancing figures between audited figures in respect of the full previous financial year and the unpublished reviewed year-to-date figures upto third quarter of the previous financial year.
- 6 Earnings per equity share for the quarter ended June 30, 2024, March 31, 2024 and June 30, 2023 have not been annualised.
- 7 The Secured listed non-convertible debt securities of the Group are secured by first pari passu mortgage on immovable property situated at Heera Panna Commercial Complex, 3rd Floor, Dr. Yagnik Road, Rajkot and/or first and exclusive charge on receivables of the Group by way of hypothecation to the extent of minimum 1.0 times of the outstanding principal and interest thereon.
- 8 Information as required by Regulation 52(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached as Annexure 1.
- 9 The disclosure in terms of Ind-AS 108 dealing with 'Operating Segment' as specified under Section 133 of the Companies Act, 2013 is attached as Annexure 2.
- 10 As on June 30, 2024 the security cover available in respect of secured non convertible debt securities is 1.09 and the asset cover available in respect of unsecured non convertible debt securities is 2.48. The security cover certificate as per Regulation 54(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached as Annexure 3.
- 11 Pursuant to Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with SEBI Operational Circular dated August 10, 2021, the Group has listed its Commercial Papers on National Stock Exchange of India Limited (NSE).
- 12 The Reserve Bank of India, under Scale Based Regulations has categorised the Group as Upper Layer (NBFC-UL), vide it's circular dated September 14, 2023.
- 13 Details of loans transferred / acquired during the period ended June 30, 2024 under the RBI Master Direction on Transfer of Loan Exposures dated September 24, 2021 are given below:
 - (i) The Group has not transferred any Non-Performing Assets.
 - (ii) The Group has not transferred any loan not in default.
 - (iii) The Group has not acquired any Special Mention Account.
 - (iv) The Group has not acquired any stressed loan and loan not in default.
- 14 Figures for the previous period/year have been regrouped wherever necessary, in order to make them comparable with current period/year.

By Order of the Board
For HDB Financial Services Limited


Ramesh G.
Managing Director & CEO
DIN : 05291597

Date : July 13, 2024
Place : Mumbai





HDB Financial Services Limited

Annexure 1

Disclosures in compliance with Regulations 52(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the quarter ended June 30, 2024

| Sr. No. | Particulars | Quarter ended | | | Year ended |
|---------|---|---------------|--------------|--------------|--------------|
| | | Jun 30, 2024 | Mar 31, 2024 | Jun 30, 2023 | Mar 31, 2024 |
| | | Reviewed | Audited | Reviewed | Audited |
| 1 | Debt-equity ratio (times) ¹ | 5.91 | 5.81 | 5.38 | 5.81 |
| 2 | Debt service coverage ratio | NA | NA | NA | NA |
| 3 | Interest service coverage ratio | NA | NA | NA | NA |
| 4 | Outstanding redeemable preference shares (Quantity) | Nil | Nil | Nil | Nil |
| 5 | Outstanding redeemable preference shares (value) (Rs. in millions) | Nil | Nil | Nil | Nil |
| 6 | Capital redemption reserve (Rs. in millions) | Nil | Nil | Nil | Nil |
| 7 | Debenture redemption reserve (Rs. in millions) | Nil | Nil | Nil | Nil |
| 8 | Net worth (Rs. in millions) ² | 1,32,980 | 1,28,028 | 1,08,728 | 1,28,028 |
| 9 | Net profit after tax (Rs. in millions) | 5,817 | 6,562 | 5,670 | 24,608 |
| 10 | Earnings per equity share (Not annualised for the interim periods) | | | | |
| | Basic (Rs.) | 7.33 | 8.28 | 7.16 | 31.08 |
| | Diluted (Rs.) | 7.32 | 8.27 | 7.16 | 31.04 |
| 11 | Current ratio | 1.16 | 1.22 | 1.17 | 1.22 |
| 12 | Long term debt to working capital | 9.56 | 7.52 | 9.33 | 7.52 |
| 13 | Bad debts to accounts receivable ratio | NA | NA | NA | NA |
| 14 | Current liability ratio | 39.14% | 37.20% | 38.74% | 37.20% |
| 15 | Total debts to total assets | 80.38% | 80.31% | 78.75% | 80.31% |
| 16 | Debtors turnover | NA | NA | NA | NA |
| 17 | Inventory turnover | NA | NA | NA | NA |
| 18 | Operating margin (%) | NA | NA | NA | NA |
| 19 | Net profit margin (%) | 14.98% | 17.90% | 16.74% | 17.36% |
| 20 | Sector specific equivalent ratios | | | | |
| | Capital adequacy ratio (%) | 18.84% | 19.25% | 19.77% | 19.25% |
| | Gross Stage 3 ratio (%) | 1.93% | 1.90% | 2.48% | 1.90% |
| | Liquidity coverage ratio (%) | 240% | 140% | 224% | 140% |
| | Stage 3 provision coverage ratio (%) | 60.24% | 66.82% | 66.11% | 66.82% |

Notes:

1) Debt equity ratio is (Debt securities + Borrowings + Subordinated liabilities) / Net worth.

2) Net worth is equal to paid up equity share capital plus other equity less deferred tax.

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Annexure 2
Consolidated Segment Reporting
for the quarter ended June 30, 2024

| Sr. No. | Particulars | (Rupees in million) | | | |
|---------|---|--------------------------|-------------------------|--------------------------|-------------------------|
| | | Jun 30, 2024 Reviewed | Mar 31, 2024 Audited | Jun 30, 2023 Reviewed | Mar 31, 2024 Audited |
| i. | Segment Revenue | | | | |
| | Lending business | 35,708 | 33,608 | 28,102 | 1,22,216 |
| | BPO Services | 3,130 | 3,060 | 5,766 | 19,495 |
| | Unallocated | - | - | - | - |
| | Income from Operations | 38,838 | 36,668 | 33,868 | 1,41,711 |
| ii. | Segment Results | | | | |
| | Lending business | 7,768 | 8,823 | 7,471 | 31,784 |
| | BPO Services | 175 | 68 | 208 | 1,576 |
| | Unallocated | (106) | (73) | (74) | (313) |
| | Profit before tax | 7,837 | 8,818 | 7,605 | 33,047 |
| | Income Tax expenses | | | | |
| | Current tax | 2,186 | 668 | 2,298 | 7,707 |
| | Deferred tax Asset | (166) | 1,588 | (363) | 732 |
| | Net Profit | 5,817 | 6,562 | 5,670 | 24,608 |
| iii. | Capital Employed | | | | |
| | Segment assets | | | | |
| | Lending business | 9,65,742 | 9,14,703 | 7,30,847 | 9,14,703 |
| | BPO Services | 2,047 | 1,050 | 861 | 1,050 |
| | Unallocated | 10,000 | 9,812 | 10,737 | 9,812 |
| | Total Assets | 9,77,789 | 9,25,565 | 7,42,445 | 9,25,565 |
| | Segment Liabilities | | | | |
| | Lending business | 8,29,326 | 7,81,513 | 6,16,290 | 7,81,513 |
| | BPO Services | 3,685 | 1,928 | 2,040 | 1,928 |
| | Unallocated | 2,220 | 4,697 | 4,968 | 4,697 |
| | Total Liabilities | 8,35,231 | 7,88,138 | 6,23,298 | 7,88,138 |
| | Net Segment assets / (liabilities) | 1,42,558 | 1,37,427 | 1,19,147 | 1,37,427 |

a) **Chief Operating Decision Maker**

Operating segments are reported in a manner consistent with the internal reporting to the Chief Operating Decision Maker (CODM). The Managing Director & CEO of the Company has been identified as the CODM as defined by Ind AS 108 Operating Segments, who assesses the financial performance and position of the Group and makes strategic decisions.

b) **Operating Segment**

Primary Segment (Business Segment)

The Group is organised primarily into two operating segments, i.e. Lending business and BPO services. Lending business includes providing finance to retail customers for a variety of purposes like purchase of commercial equipment and commercial vehicles, personal purposes, enterprise loans, etc. Revenue from lending business includes (i) interest income and processing fees net of loan origination costs, (ii) collection-related charges like cheque bouncing charges, late payment charges and foreclosure charges, and (iii) insurance commission. BPO services comprises of sales support services, back office, operations, processing support, running collection call centres and collecting overdue amounts from borrowers.

Secondary Segment (Geographical Segment)

Since the business operations of the Group are primarily concentrated in India, the Group is considered to operate only in the domestic segment and therefore there is no reportable geographic segment.

c) **Segment Revenue and Expense**

Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and expenses which relate to enterprise as a whole and are not allocable to a segment on a reasonable basis have been disclosed as 'Unallocated'.

d) **Segment Assets and Liabilities**

Segment assets and segment liabilities represent assets and liabilities in respective segments. Tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as 'Unallocated'.

e) **Accounting Policies**

The accounting policies consistently used in the preparation of the financial statements are also applied to items of revenue and expenditure in individual segments.



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Annexure 3

| Security cover certificate as per Regulation 54(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as on June 30, 2024. | | | | | | | | | | | | | | |
|---|--|--|--------------------|--|--|--|--------------------------------|---|-----------------|---|---|---|--|-----------------------|
| Column A | Column B | Column C | Column D | Column E | Column F | Column G | Column H | Column I | Column J | Column K | Column L | Column M | Column N | Column O |
| | | Exclusive Charge | Exclusive Charge | Pari-Passu Charge | Pari-Passu Charge | Pari-Passu Charge | Assets not offered as Security | Elimination (amount in negative) | Total (C to I) | Related to only those items covered by this certificate | | | | |
| Particulars | Description of asset for which this certificate relate | Debt for which this certificate being issued | Other Secured Debt | Debt for which this certificate being issued | Assets shared by pari passu debt holder (includes debt for which this certificate is issued & other debt with pari-passu charge) | Other assets on which there is pari-passu charge (excluding items covered in column F) | | Debt amount considered more than once (due to exclusive plus pari passu charge) | | Market Value for Assets charged on Exclusive basis | Carrying/book value for exclusive charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable) | Market Value for Pari passu charge Assets | Carrying value/book value for pari passu charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable) | Total Value(=K+L+M+N) |
| | | Book Value | Book Value | Yes/No | Book Value | Book Value | | | | | | | Relating to Column F | |
| ASSETS | | | | | | | | | | | | | | |
| Property, Plant and Equipment | Immovable Property (Note 1) | - | - | | - | | 1,713 | - | 1,713 | - | 3 | - | - | 3 |
| Capital Work-in-Progress | | - | - | | - | - | - | - | - | - | - | - | - | - |
| Right of Use Assets | | - | - | | - | - | 3,622 | - | 3,622 | - | - | - | - | - |
| Goodwill | | - | - | | - | - | - | - | - | - | - | - | - | - |
| Intangible Assets | | - | - | | - | - | 225 | - | 225 | - | - | - | - | - |
| Intangible Assets under Development | | - | - | | - | - | - | - | - | - | - | - | - | - |
| Investments | | - | - | | - | - | 30,313 | - | 30,313 | - | - | - | - | - |
| Loans | Receivables under financing activities (Note 2) | 4,28,953 | 3,75,875 | | | | 1,16,546 | - | 9,21,374 | - | 4,28,953 | - | - | 4,28,953 |
| Inventories | | - | - | | - | - | - | - | - | - | - | - | - | - |
| Trade Receivables | | - | - | | - | - | 2,790 | - | 2,790 | - | - | - | - | - |
| Cash and Cash Equivalents | | - | - | | - | - | 5,717 | - | 5,717 | - | - | - | - | - |
| Bank Balances other than Cash Equivalents | | - | - | | - | - | 507 | - | 507 | - | - | - | - | - |
| Others | | - | - | | - | - | 11,528 | - | 11,528 | - | - | - | - | - |
| Total | | 4,28,953 | 3,75,875 | | | | 1,72,961 | - | 9,77,789 | - | 4,28,956 | - | - | 4,28,956 |



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Annexure 3

(Rupees in million)

| Security cover certificate as per Regulation 54(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as on June 30, 2024. | | | | | | | | | | | | | | |
|---|--|--------------------|--|--|--|-------------------|---|----------------------------------|-----------------|---|---|---|--|----------------------|
| Column A | Column B | Column C | Column D | Column E | Column F | Column G | Column H | Column I | Column J | Column K | Column L | Column M | Column N | Column O |
| Particulars | Description of asset for which this certificate relate | Exclusive Charge | Exclusive Charge | Pari-Passu Charge | Pari-Passu Charge | Pari-Passu Charge | Assets not offered as Security | Elimination (amount in negative) | Total (C to I) | Related to only those items covered by this certificate | | | | |
| | Debt for which this certificate being issued | Other Secured Debt | Debt for which this certificate being issued | Assets shared by pari passu debt holder (includes debt for which this certificate is issued & other debt with pari-passu charge) | Other assets on which there is pari-passu charge (excluding items covered in column F) | | Debt amount considered more than once (due to exclusive plus pari-passu charge) | | | Market Value for Assets charged on Exclusive basis | Carrying/book value for exclusive charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable) | Market Value for Pari passu charge Assets | Carrying value/book value for pari passu charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable) | Total Value(K+L+M+N) |
| | Book Value | Book Value | Yes/No | Book Value | Book Value | | | | | | | | | Relating to Column F |
| LIABILITIES | | | | | | | | | | | | | | |
| Debt securities to which this certificate pertains | | 3,93,843 | - | Yes | - | - | - | - | 3,93,843 | - | 3,93,843 | - | - | 3,93,843 |
| Other debt sharing pari-passu charge with above debt | | - | | - | - | - | - | - | - | - | - | - | - | - |
| Other Debt(Sec) | | - | | - | - | - | 566 | - | 566 | - | - | - | - | - |
| Subordinated debt | | - | | - | - | - | 46,619 | - | 46,619 | - | - | - | - | - |
| Borrowings | not to be filled | - | | - | - | - | - | - | - | - | - | - | - | - |
| Bank(TL) | | 3,43,642 | | - | - | - | - | - | 3,43,642 | - | - | - | - | - |
| Debt Securities(PDI) | | - | | - | - | - | 11,996 | - | 11,996 | - | - | - | - | - |
| Others(CP) | | - | - | - | - | - | 10,333 | - | 10,333 | - | - | - | - | - |
| Trade payables | | - | - | - | - | - | 3,959 | - | 3,959 | - | - | - | - | - |
| Lease Liabilities | | - | - | - | - | - | 4,079 | - | 4,079 | - | - | - | - | - |
| Provisions | | - | - | - | - | - | 3,896 | - | 3,896 | - | - | - | - | - |
| Others-Liab | | - | - | - | - | - | 16,298 | - | 16,298 | - | - | - | - | - |
| Total | | 3,93,843 | 3,43,642 | | - | - | 97,746 | - | 8,35,231 | - | 3,93,843 | - | - | 3,93,843 |
| Cover on Book Value | | 1.09 | | - | - | - | - | - | - | - | - | - | - | - |
| Cover on Market Value | | 1.09 | | - | - | - | - | - | - | - | - | - | - | - |
| | Exclusive Security Cover Ratio | 1.09 | | Pari-Passu Security Cover Ratio | NA | | | | | | | | | |

Notes:

1) The market value of Rs 3 million of the immovable property is on the basis of certified valuation done on April 13, 2024.

2) Receivable under financing activities consist of large number of small ticket loans. This is part of the non trading book where loans are in the nature of held to maturity and created with a sole objective of collecting principal and interest. Therefore the Group has considered the carrying value (net of allowance) for this certificate.

3) We confirm that the Group has complied with the covenants mentioned in the disclosure documents of the Secured Redeemable Non-convertible Debentures for the period ended June 30, 2024.



July 13, 2024

HDB Financial Services Limited
 HDB House, Tukaram Sandam Marg,
 A- Subhash Road, Vile Parle (E),
 Mumbai – 400 057.
 Tel : 022 - 4911 6300
 Fax : 022 - 4911 6666
 Web : www.hdbfs.com
 CIN : U65993GJ2007PLC051028
 Email ID : compliance@hdbfs.com

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

K.A.: Listing Compliance Department

Sub.: Statement of utilisation of issue proceeds under Regulation 52(7) and Statement of deviation/ variation under Regulation 52(7A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir / Madam,

Statement of utilisation of issue proceeds under Regulation 52(7) and Statement of deviation/ variation under Regulation 52(7A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

A. Pursuant to the Regulation 52(7) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby confirm that, the proceeds of the below Non-Convertible Securities issued by the Company during the quarter ended June 30, 2024, listed on the Stock Exchange, have been utilised for the purpose for which these proceeds were raised in accordance with the respective Offer Documents of the issues:

Name of the issuer: **HDB Financial Services Limited**

| ISIN | Mode of Fund Raising (Public issues / Private placement) | Type of instrument | Date of raising funds | Amount Raised (Face Value Rs. in Crore) | Fund utilised (Face Value Rs.in Crore) | Any deviation (Yes/No) | If Yes, then specify the purpose of for which the funds were utilised | Remarks, if any |
|--------------|--|--------------------|-----------------------|---|--|------------------------|---|-----------------|
| INE756I07EY1 | Private Placement | NCD | April 10, 2024 | 500.00 | 500.00 | No | NA | NA |
| INE756I07ES3 | Private Placement | NCD | April 22, 2024 | 1,500.00 | 1,500.00 | No | NA | NA |
| INE756I07EY1 | Private Placement | NCD | April 29, 2024 | 70.00 | 70.00 | No | NA | NA |
| INE756I07EL8 | Private Placement | NCD | May 9, 2024 | 1,075.00 | 1,075.00 | No | NA | NA |
| INE756I07EZ8 | Private Placement | NCD | May 9, 2024 | 1,500.00 | 1,500.00 | No |  | |

| ISIN | Mode of Fund Raising (Public issues / Private placement) | Type of instrument | Date of raising funds | Amount Raised (Face Value Rs. in Crore) | Fund utilised (Face Value Rs.in Crore) | Any deviation (Yes/No) | If Yes, then specify the purpose of for which the funds were utilised | Remarks, if any |
|--------------|--|--------------------|-----------------------|---|--|------------------------|---|-----------------|
| INE756I07FA8 | Private Placement | NCD | June 7, 2024 | 475.00 | 475.00 | No | NA | NA |
| INE756I08272 | Private Placement | PDI | June 13, 2024 | 150.00 | 150.00 | No | NA | NA |
| INE756I07EP9 | Private Placement | NCD | June 20, 2024 | 525.00 | 525.00 | No | NA | NA |
| INE756I07EW5 | Private Placement | NCD | June 20, 2024 | 100.00 | 100.00 | No | NA | NA |
| INE756I07EJ2 | Private Placement | NCD | June 28, 2024 | 1,103.00 | 1,103.00 | No | NA | NA |

B. Statement of deviation/ variation in use of Issue proceeds for the quarter ended June 30, 2024:

| Particulars | Remarks |
|---|---------------------------------|
| Name of the listed entity | HDB Financial Services Limited |
| Mode of fund raising | Public issue/ Private placement |
| Type of Instrument | Non-convertible Securities |
| Date of raising funds | As mentioned in above table |
| Amount raised | As per mentioned in above table |
| Report filed for quarter ended | June 30, 2024 |
| Is there a deviation/ variation in use of funds raised? | No |
| Whether any approval is required to vary the objects of the issue stated in the prospectus/ offer document? | No |
| If yes, details of the approval so required? | Not Applicable |
| Date of approval | Not Applicable |
| Explanation for the deviation/ variation | Not Applicable |
| Comments of the audit committee after review | None |
| Comments of the auditors, if any | None |
| Objects for which funds have been raised and where there has been a deviation/ variation, in the following table: | |



A handwritten signature in black ink, appearing to be "Rajesh".

| Original object | Purpose | Percentage of fund raised (%) |
|--|---|-------------------------------|
| | For disbursements of loans to borrowers | Upto 100 |
| | For refinancing existing borrowings/ repayment of existing borrowings | Upto 75 |
| | For general corporate purposes | Upto 50 |
| Further, pending utilisation, the issue proceeds may be utilised / invested as may be approved from time to time in the ordinary course of business, in fixed deposits with banks, mutual fund units, etc. | | |
| Additionally the proceeds of the issuance shall be in accordance with RBI guidelines applicable for bank finance to NBFCs. | | |
| Modified object, if any | Nil | |
| Original allocation | Funds have been allocated as per the objects stated above in compliance with the applicable laws. | |
| Modified allocation, if any | Nil | |
| Funds utilised | Funds have been utilised as per the objects stated above in compliance with the applicable laws. | |
| Amount of deviation/ variation for the quarter according to application object (in Rs. crore and in %) | Not Applicable | |
| Remarks, if any | Nil | |

Deviation could mean:

- Deviation in the objects or purposes for which the funds have been raised.
- Deviation in the amount of funds actually utilised as against what was originally disclosed.

Please take the above on record.

For HDB Financial Services Limited



Jaykumar Shah
(Chief Financial Officer)

