



HDB Financial Services Limited  
HDB House, Tukaram Sandam Marg,  
A - Subhash Road, Vile Parle (E),  
Mumbai – 400057.  
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Tel: 022 – 4911 6350  
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CIN: L65993GJ2007PLC051028  
Email: investorcommunications@hdbfs.com

**HDB/SLC/2026/1464**

April 15, 2026

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

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

Dear Sir / Madam,

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

Pursuant to Regulation 32(6) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Regulations 41(4) of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“SEBI ICDR Regulations”) please find enclosed the Monitoring Agency Report issued by CARE Ratings Limited (Monitoring Agency), in respect to utilization of the proceeds raised through issuance of equity shares by way of Public Issue of the Company for the quarter ended March 31, 2026.

This is for your information and appropriate dissemination.

Thanking you,

**For HDB Financial Services Limited**

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

Encl.: As above

# Monitoring Agency Report

**No. CARE/HO/GEN/2026-27/1002**

**The Board of Directors**  
**HDB Financial Services Limited**  
HDB House, Tukaram Sandam Marg,  
A – Subhash Rd, Navpada, Vile Parle East,  
Mumbai, Maharashtra – 400057

April 15, 2026

Dear Sir/Ma'am,

**Monitoring Agency Report for the quarter ended March 31, 2026 - in relation to the IPO of HDB Financial Services Limited**

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

In this connection, we are enclosing the Monitoring Agency Report for the quarter ended March 31, 2026, as per aforesaid SEBI Regulations and Monitoring Agency Agreement dated June 12, 2025.

Request you to kindly take the same on records.

Thanking you,  
Yours faithfully,

*Shaik Saleem*

**Shaik Saleem**  
Associate Director

[Shaik.Saleem@careedge.in](mailto:Shaik.Saleem@careedge.in)

**Report of the Monitoring Agency**

Name of the issuer: HDB Financial Services Limited

For quarter ended: March 31, 2026

Name of the Monitoring Agency: CARE Ratings Limited

(a) Deviation from the objects: No material deviation

(b) Range of Deviation: upto 10%

**Declaration:**

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

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

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



Signature:

Name and designation of the Authorized Signatory: Shaik Saleem

Designation of Authorized person/Signing Authority: Associate Director

**1) Issuer Details:**

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

**2) Issue Details**

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

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

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Particulars	Reply	Source of information / certifications considered by Monitoring Agency for preparation of report	Comments of the Monitoring Agency	Comments of the Board of Directors
Whether all utilization is as per the disclosures in the Offer Document?	Yes	Offer document, Chartered Accountant Certificate*, Bank Statements	All the proceeds from IPO have been utilized to the objects as per the disclosures in the offer document. However, ₹2 crore which was pending to be utilized as a part of augmentation of Tier-I capital has now been allocated to issue / offer related expenses.	No Comments
Whether shareholder approval has been obtained in case of material deviations# from expenditures disclosed in the Offer Document?	Not Applicable	Chartered Accountant Certificate*	No material deviation. Nonetheless, equity shareholder's approval is required before utilisation of ₹2 crore which has been currently allocated to issue / offer related expenses vis-a-vis augmentation of Tier-I capital, mentioned in the offer document.	No Comments
Whether the means of finance for the disclosed objects of the issue have changed?	No	Chartered Accountant Certificate*	No comments	No Comments
Is there any major deviation observed over the earlier monitoring agency reports?	No	Chartered Accountant Certificate*	The issue/offer related expenses has been revised upwards by ₹2 crore and accordingly reduced for augmentation of Tier-I capital.	No Comments
Whether all Government/statutory approvals related to the object(s) have been obtained?	Yes	Chartered Accountant Certificate*	No comments	No Comments
Whether all arrangements pertaining to technical assistance/collaboration	Not	Chartered Accountant Certificate*	No comments	No Comments

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Particulars	Reply	Source of information / certifications considered by Monitoring Agency for preparation of report	Comments of the Monitoring Agency	Comments of the Board of Directors
are in operation?	Applicable			
Are there any favorable/unfavorable events affecting the viability of these object(s)?	No	Chartered Accountant Certificate*	There have not been any such events so far.	No Comments
Is there any other relevant information that may materially affect the decision making of the investors?	Yes	Stock exchange	The share price has fell by ~17% as of April 10, 2026, from the issue price.	No Comments

\*Chartered Accountant certificate from G D Apte & Co Chartered Accountants dated April 09, 2026

#Where material deviation may be defined to mean:

- Deviation in the objects or purposes for which the funds have been raised
- Deviation in the amount of funds actually utilized by more than 10% of the amount projected in the offer documents.

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

(i) Cost of objects –

Sr. No	Item Head	Source of information / certifications considered by Monitoring Agency for preparation of report	Original cost (as per the Offer Document) in Rs. Crore	Revised Cost in Rs. Crore	Comments of the Monitoring Agency	Comments of the Board of Directors		
						Reason for cost revision	Proposed financing option	Particulars of -firm arrangements made
1	Augmentation of our Company's Tier – I Capital base to meet our Company's future capital requirements including onward lending under any of our Company's business verticals i.e. Enterprise Lending, Asset Finance and Consumer Finance#	Offer Document, Chartered Accountant certificate*	2,458.62	2,456.62	An amount of ₹2 crore which was pending to be utilized towards onward lending has now been allocated towards utilisation for issue expenses. However, there is no material deviation from the stated objects as well as the amount allocated to the object.	No Comments	No Comments	No Comments
2	Offer Expenses	Offer Document, Chartered Accountant certificate*	41.38	43.38	An amount of ₹2 crore originally allocated to augmentation of Tier-I capital has now been allocated to issue expenses. However, there is no material deviation in the stated objects as well as the amount allocated to each object.	No Comments	No Comments	No Comments
<b>Total</b>			<b>2,500.00</b>	<b>2,500.00</b>				

\* Chartered Accountant certificate from G D Apte & Co Chartered Accountants dated April 09, 2026

# Company's utilization is aggregating to 2,461.22 crore, (this includes ₹4.60 crore interest accrued on fixed deposit) which has been utilized towards augmenting for tier-I capital base

to meet future business requirements of company towards onward lending.

(ii) Progress in the objects –

Sr. No	Item Head	Source of information / certifications considered by Monitoring Agency for preparation of report	Amount as proposed in the Offer Document in Rs. Crore	Revised Amount*	Amount utilised in Rs. Crore			Total unutilised amount in Rs. crore	Comments of the Monitoring Agency	Comments of the Board of Directors	
					As at beginning of the quarter in Rs. Crore	During the quarter in Rs. Crore	At the end of the quarter in Rs. Crore			Reasons for idle funds	Proposed course of action
1	Offer Expenses^	Offer Document, bank statement, Chartered Accountant certificate*	41.38	43.38	37.11	0.00	37.11	6.27^	The issue expenses are utilised on a reimbursement basis. The expenses are incurred by the company and post certification from independent CA, the expenses are reimbursed. There has been no utilisation of offer expenses during the quarter.	No Comments	No Comments
2	Augmentation of our Company's Tier – I Capital base to meet our Company's future capital requirements including onward lending under any of our Company's business verticals i.e. Enterprise Lending, Asset Finance and Consumer Finance#	Offer Document, bank statement, Chartered Accountant certificate*	2,458.62	2,456.62	2,456.62	0.00	2,456.62	0.00	The proceeds net off issue expenses, have been utilized in accordance with the objects of the issue. However, ₹2 crore which were held in escrow by Book running lead manager (BRLMs), has now been allocated to issue / offer related expenses.	No Comments	No Comments
<b>Total</b>			<b>2,500.00</b>	<b>2,500.00</b>	<b>2,493.73</b>	<b>0.00</b>	<b>2,493.73</b>	<b>6.27</b>			

\*To the extent of fresh issue, the IPO expense of ₹43.38 crore includes ₹2.00 crore of additional estimated expenses on account of additional bank charges related expenses, estimated above the offer expenses mentioned in the prospectus and the same have been approved in the board meeting dated January 14, 2026

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

^ ₹6.27 crore held in escrow account against offer expenses which are yet to be utilized.

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## (iii) Deployment of unutilized proceeds:

Sr. No.	Type of instrument and name of the entity invested in	Amount invested	Maturity date	Earning	Return on Investment (%)	Market Value as at the end of quarter
1	Allotment account (HDFC Bank)	23.36	-	-	-	-
	Less: offer for sale expenses (HDFC Bank)	17.09	-	-	-	-
	<b>Unutilized proceeds (Parked in public issue account)</b>	<b>6.27</b>				

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

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

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

^ ₹6.27 crore held in escrow account against offer expenses which are yet to be utilized.

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

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**Disclaimers to MA report:**

a) This Report is prepared by CARE Ratings Ltd (hereinafter referred to as "**Monitoring Agency/MA**"). The MA has taken utmost care to ensure accuracy and objectivity while developing this Report based on the information provided by the Issuer and information obtained from sources believed by it to be accurate and reliable. The views and opinions expressed herein do not constitute the opinion of MA to deal in any security of the Issuer in any manner whatsoever.

b) This Report has to be seen in its entirety; the selective review of portions of the Report may lead to inaccurate assessments. For the purpose of this Report, MA has relied upon the information provided by the management /officials/ consultants of the Issuer and third-party sources like statutory auditor which is a peer reviewed audit firm appointed by the Issuer believed by it to be accurate and reliable.

c) Nothing contained in this Report is capable or intended to create any legally binding obligations on the MA which accepts no responsibility, whatsoever, for loss or damage from the use of the said information. The MA is also not responsible for any errors in transmission and specifically states that it, or its directors, employees do not have any financial liabilities whatsoever to the users of this Report.

d) The MA and its affiliates do not act as a fiduciary. The MA and its affiliates also do not act as an expert to the extent defined under Section 2(38) of the Companies Act, 2013. While the MA has obtained information from sources it believes to be reliable, it does not perform an audit and undertakes no independent verification of any information/ certifications/ statements it receives from statutory auditors (or from peer reviewed CA firms), lawyers, chartered engineers or other experts, and relies on in its reports.

e) The MA or its affiliates may have other commercial transactions with the entity to which the report pertains. As an example, the MA may rate the issuer or any debt instruments / facilities issued or proposed to be issued by the issuer that is subject matter of this report. The MA may receive separate compensation for its ratings and certain credit-related analyses, normally from issuers or underwriters of the instruments, facilities, securities or from obligors.

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