

HDFC Credila Financial Services Limited

Regd. Office: B-301, Citi Point, Andheri-Kurla Road, Andheri (East), Mumbai - 400 059 India,

Tel: +91-022-28266636 Email: investor@hdfccredila.com Website: www.hdfccredila.com

CIN: U67190MH2006PLC159411

NOTICE TO THE SHAREHOLDERS

Notice is hereby given that the Extra-Ordinary General Meeting of the shareholders of HDFC Credila Financial Services Limited will be held on Tuesday, February 28, 2023 at 2:00 P.M at the office of Housing Development Finance Corporation Limited, HDFC House, 165/166, HT Parekh Marg, Backbay Reclamation, Churchgate, Mumbai- 400020 to transact the following business:

Special Business:

1. To consider, and if thought fit, to pass the following Resolution as a Special Resolution for approving the limit and sub-limits of borrowing by the Company:

“**RESOLVED THAT** in partial modification to the Resolution passed by the shareholders in terms of Section 180(1)(c) of the Companies Act, 2013 at the Annual General Meeting of the Company, held on June 29, 2022, the consent of the shareholders be and is hereby accorded to the Board of Directors of the Company (“hereinafter referred to as “the Board”), to borrow any sum or sums of monies for from time to time, which together with the monies already borrowed by the Company, (apart from temporary loans obtained from the Company’s Bankers in the ordinary course of business) may exceed aggregate of its paid up share capital and free reserves, provided that the total amount so borrowed by the Company shall not exceed Rs.20,000 Crores (Rupees Twenty Thousand Crores) with the following sub-limits:

- i) Non-Convertible Debentures, Perpetual Debt Instruments and Sub Debt: up to Rs. 7,000 crores
- ii) Commercial Paper: up to Rs. 2,000 crores
- iii) External Commercial Borrowing: up to Rs. 1,000 crores
- iv) Balance of the borrowing from Banks, Financial Institutions and other sources: up to Rs. 10,000 crores”

“**RESOLVED FURTHER THAT** the Board be and is hereby authorized to henceforth decide the sub-limits of borrowings from Banks, NCDs/Sub Debt/PDIs, Commercial Paper, External Commercial Borrowings, Financial institutions etc. within the borrowing limits approved by the shareholders from time to time.”

“**RESOLVED FURTHER THAT** for the purpose of giving effect to this Resolution, the Board or any Committee or officer(s) authorized by the Board be and is/are hereby authorised to finalise, settle and execute such documents/ deeds/ writings/ papers/ agreements and to affix common seal, to do all acts, deeds, matters and things, as may be required.”

2. To consider, and if thought fit, to pass, the following resolution as a Special Resolution for issuance of Redeemable Non-Convertible Debentures and/or other hybrid instruments on a private placement basis:

“**RESOLVED THAT** in terms of the provisions of Section 42, 71 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Share Capital and Debentures) Rules, 2014 and Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 dated September 01, 2016 (“RBI Master Directions”), the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, the Securities and Exchange Board of India’s Operational Circular for issue and listing of Non-convertible Securities, Securitized Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper dated August 10, 2021 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the relevant provisions of the Memorandum of Association and the Articles of Association of the Company, any other law, rules, guidelines, regulations for the time being in force and any other circulars, notifications and /or clarifications issued by any relevant authority (including any statutory modifications or re-enactments

HDFC Credila Financial Services Limited

Regd. Office: B-301, Citi Point, Andheri-Kurla Road, Andheri (East), Mumbai - 400 059 India,

Tel: +91-022-28266636 Email: investor@hdfccredila.com Website: www.hdfccredila.com

CIN: U67190MH2006PLC159411

thereof for the time being in force), and subject to such terms, conditions and modifications as may be considered necessary and proper by the Board of Directors of the Company (hereinafter referred to as the "Board") the consent of the shareholders of the Company be and is hereby accorded to the Board, to issue Redeemable Non-Convertible Debentures, Perpetual Debt Instruments, Sub Debt, secured or unsecured, and any other hybrid instruments which can be classified as being Tier I and / or Tier II capital under the provisions of Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, for cash either at par, premium or discount to the face value, up to an aggregate amount not exceeding Rs. 7,000 crore, with various sub-limits for each instrument as may be decided by the Board, under shelf or one or more letters of offer as may be issued by the Company, and in one or more series, during a period of one year commencing from the date of this Extra Ordinary General Meeting, on a private placement basis and on such terms and conditions as the Board may deem fit and appropriate for each series, as the case may be; provided however that the borrowings by way of issue of Redeemable Non-Convertible Debentures, Perpetual Debt Instruments, Sub Debt, secured or unsecured, and any other hybrid instruments, will be within the overall limit of borrowings as approved by the shareholders, from time to time."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things and execute all such agreements, documents, instruments and writings as may be required, with power to settle all questions, difficulties or doubts that may arise with regard to the said matter as it may in its sole and absolute discretion deem necessary and to delegate all or any of its powers herein conferred to any Committee of Directors and/ or director(s) and/ or officer(s) of the Company, to give effect to this Resolution."

3. To consider, and if thought fit, to pass, the following resolution as an Ordinary Resolution for increasing the Authorized Share Capital of the Company:

"RESOLVED THAT pursuant to the provisions of Sections 61 and 64 and other applicable provisions, if any, of the Companies Act, 2013 and the rules framed thereunder (including any amendment thereto or re-enactment thereof), the consent of the shareholders of the Company, be and is hereby accorded to increase the Authorized Share Capital of the Company from existing Rs.155,00,00,000 (Rupees One Hundred Fifty Five Crore) divided into 15,50,00,000 Equity Shares of Rs. 10/- each to Rs.200,00,00,000 (Rupees Two Hundred Crore) divided into 20,00,00,000 Equity Shares of Rs 10/- each by creation of additional 450,00,000 Equity Shares of Rs. 10/- each , ranking pari passu in all respect with the existing Equity Shares of the Company."

"RESOLVED FURTHER THAT approval of the shareholders of the Company be and is hereby accorded to the Board of Directors of the Company to do all such acts, deeds, matters and things and to take all such steps as may be required in this connection including seeking all necessary approvals to give effect to this Resolution and to settle any questions, difficulties or doubts that may arise in this regard."

4. To consider, and if thought fit, to pass, the following resolution as an Ordinary Resolution for alteration in the Capital Clause of Memorandum of Association of the Company:

"RESOLVED THAT pursuant to the provisions of Section 13, 61 and 64 and other applicable provisions of the Companies Act 2013 (including any amendment thereto or re-enactment thereof) and the rules framed thereunder, consent of the shareholders of the Company be and is hereby accorded for substituting the Clause V of the Memorandum of Association of the Company with the following clause-

V. The Authorised Share Capital of the Company is Rs.200,00,00,000 (Rupees Two Hundred Crores) comprising of 20,00,00,000 (Twenty Crore) Equity Shares of Rs. 10/- each."

"RESOLVED FURTHER THAT approval of the shareholders of the Company be and is hereby accorded to the Board of Directors of the Company to do all such acts, deeds, matters and things and to take all such steps as may be required in this connection including seeking all necessary approvals to give effect to this Resolution and to settle any questions, difficulties or doubts that may arise in this regard."

HDFC Credila Financial Services Limited

Regd. Office: B-301, Citi Point, Andheri-Kurla Road, Andheri (East), Mumbai - 400 059 India,

Tel: +91-022-28266636 Email: investor@hdfccredila.com Website: www.hdfccredila.com

CIN: U67190MH2006PLC159411

5. To consider, and if thought fit, to pass, the following resolution as an Ordinary Resolution for entering into related party transaction with HDFC Bank Ltd

“**RESOLVED THAT** pursuant to the applicable provisions of the Companies Act, 2013 read with rules made thereunder, Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), and other applicable laws, including any amendments, modifications, variations or re-enactments thereof, the shareholders do hereby accord approval to the Board of Directors of the Company for carrying out and / or continuing with arrangements and transactions (whether individual transaction or transactions taken together or series of transactions or otherwise), for the financial year 2023-24 with HDFC Bank Limited (“HDFC Bank”), being a related party of the Company as per amended SEBI Listing Regulations, whether by way of continuation(s) or renewal(s) or extension(s) or modification(s) of earlier arrangements / transactions or as fresh and independent transaction(s) or otherwise as mentioned hereunder:

- (i) entering into transactions in derivatives with HDFC Bank wherein HDFC Bank would act as authorized dealer in foreign exchange;
- (ii) any other transactions/arrangements as provided in the explanatory statement including those entered in the course of normal banking activities such as acceptance of Current Account / Savings Account (CASA) deposits, sourcing fee for education loans, issuance of debt securities like non-convertible debentures etc.

notwithstanding the fact that all such transactions during financial year 2023-24, whether individually and/or in the aggregate, may exceed Rs. 1,000 crore or 10% of the annual turnover as per the Company’s last audited financial statements, whichever is lower, or any other materiality threshold as may be applicable under law/ regulations from time to time;

“**RESOLVED FURTHER THAT** the shareholders of the Company do hereby accord approval to the Board of Directors of the Company to sign and execute all such documents, deeds and writings and to do all such acts, deeds, matters and things as may be deemed necessary, expedient and incidental to execution of such transactions and also to delegate all or any of its powers herein conferred to any Committee of Board and / or Director(s) and / or officer(s) / employee(s) of the Company / any other person(s) to give effect to the aforesaid resolution.”

On Behalf of the Board of Directors

Akanksha Kandoi
Company Secretary

Place: Mumbai
Date: February 06, 2023

Registered Office 301, Citi Point,
Andheri-Kurla Road, Andheri (East),
Mumbai - 400 059

HDFC Credila Financial Services Limited

(Formerly known as HDFC Credila Financial Services Private Limited)

Regd. Office: B-301, Citi Point, Andheri-Kurla Road, Andheri (East), Mumbai - 400 059 India,

Tel: +91-022-28266636 **Email:** investor@hdfccredila.com **Website:** www.hdfccredila.com

CIN : U67190MH2006PLC159411

NOTES:

1. A shareholder entitled to attend and vote at the EGM is entitled to appoint a proxy to attend and on a poll to vote instead of himself and that a proxy need not be a shareholder. The proxy form to be valid and effective should be lodged with the company at its Registered Office, duly completed and signed 48 hours before the commencement of the EGM
2. A Proxy shall not have a right to speak at the EGM and shall not be entitled to vote except on a poll.
3. Corporate shareholders intending to send their authorized representatives to attend the EGM are requested to send to the Company, a certified copy of the board resolution authorizing their representative to attend and vote on their behalf at the EGM.
4. All documents referred to in this Notice are open for inspection by the shareholders on the date of the EGM at the venue of the meeting and also at the Registered Office of the Company between 10:00 a.m. to 4:00 p.m on all working days except Saturdays, Sundays and national holidays, from the date hereof up to the date of the EGM.
5. Shareholders desiring any information relating to the financial statement of the Company are requested to write to the Company at the earliest, so as to enable the Board of Directors to keep the information ready at the EGM.
6. The relevant Explanatory Statement pursuant to Section 102 of the Companies Act 2013, relating to the Special Business to be transacted at the meeting is annexed hereto.

HDFC Credila Financial Services Limited

(Formerly known as HDFC Credila Financial Services Private Limited)

Regd. Office: B-301, Citi Point, Andheri-Kurla Road, Andheri (East), Mumbai - 400 059 India,

Tel: +91-022-28266636 **Email:** investor@hdfccredila.com **Website:** www.hdfccredila.com

CIN : U67190MH2006PLC159411

Annexure to the Notice

Explanatory Statement Pursuant to Section 102 of the Companies Act, 2013.

As required under Section 102 of the Companies Act, 2013, the following explanatory statement sets out all material facts relating to the business mentioned under Item Nos.1 to 5 of this Notice.

Item No. 1

The shareholders had approved borrowing of money upto Rs.20,000 in terms of Section 180 (1)(c) of the Companies Act, 2013 along with the borrowing sub-limits for Non-Convertible Debentures, Perpetual Debt Instruments and Sub Debt, Commercial Paper, External Commercial Borrowings, Banks, Financial Institutions and other sources at its meeting held on June 29, 2022

To optimize the borrowing costs basis the prevailing central bank policy rates and the money market dynamics, it is now proposed to revise the sub-limits and give authority to the Board to decide the sub-limits henceforth within the overall borrowing limits set by the shareholders.

None of the Directors or Key Managerial Personnel of the company or their relatives are interested in the proposed Resolution, financially or otherwise.

The Board recommends the resolution for your approval.

Item No. 2

The Company will require additional funds for the growth of its education loan portfolio. The Company intends to borrow funds by issue of secured or unsecured, redeemable Non-Convertible Debentures, Perpetual Debt Instruments and Sub Debt proposed, for cash either at par or premium or at a discount to face value depending upon the prevailing market conditions. Accordingly, the approval of the shareholders is being sought by way of special resolution as set out at Item No. 2 of this notice authorizing the Board to issue secured or unsecured, redeemable Non-Convertible Debentures, Perpetual Debt Instruments, Sub Debt and/or any other hybrid instruments which can be classified as being Tier I and / or Tier II capital under the provisions of Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, up to an aggregate amount not exceeding Rs. 7,000 Crore, with various sub-limits for each instrument as may be decided by the Board, on a private placement basis during a period of one year from the date of this Meeting.

None of the Directors or Key Managerial Personnel of the Company or their relatives are in any way concerned or interested, financially or otherwise, in the said resolution.

The Board recommends the resolution for your approval.

Item Nos. 3 & 4

In order to continue growing its business and maintaining the Capital Adequacy Ratio as required under the RBI Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, the Company proposes to increase its Authorised Share Capital. In terms of the provisions of Section 61 read with Section 64 and other applicable provisions, if any, of the Companies Act, 2013, the approval of the shareholders by Ordinary Resolution is required to increase the Authorised Share Capital of the Company. The alteration in the

HDFC Credila Financial Services Limited

(Formerly known as HDFC Credila Financial Services Private Limited)

Regd. Office: B-301, Citi Point, Andheri-Kurla Road, Andheri (East), Mumbai - 400 059 India,

Tel: +91-022-28266636 **Email:** investor@hdfccredila.com **Website:** www.hdfccredila.com

CIN : U67190MH2006PLC159411

1	HDFC Bank Limited	Associate Company of Holding Company	Derivative Transactions - INR Interest Rate Swaps, Coupon only Swaps, Cross Currency Swaps, Principal Only Swaps, Forward Contracts, Currency Options, etc.	The terms of the transactions will be as per the prevailing market rates for the relevant derivative transactions.	Financial	7 days - 10 years based on the Company's requirement.	The Company hedges its Interest Rate Risk and Foreign Exchange Risk via Derivative Transactions with various Banks in the ordinary course of business. HDFC Bank, being an authorised dealer deals in foreign exchange and derivatives in the normal course of its business. The Company proposes to transact with HDFC Bank in the ordinary course of business and on arms' length basis. The notional / principal amount of transactions is proposed for approval since the actual inflow / outflow is based on the market prices / rates which cannot be ascertained.	2,000	2,000	151.75%
2	HDFC Bank Limited	Associate Company of Holding Company	Forex Transactions	The terms of the transactions will be as per the prevailing market rates for the relevant derivative transactions.	Financial	As per the Company's requirement.	The Company purchases Foreign Exchange from HDFC Bank for the purpose of payment of interest on its ECB.	5.00	50.00	3.79%
3	HDFC Bank Limited	Associate Company of holding Company	Commission on sourcing of loans	Commission is paid at the rate of 1.25% plus GST (1.16% plus GST up to September 30, 2022) of disbursement amount for all tranches.	Availing of service	1 year	Commission @ 1.25% plus GST (1.48% including GST) (1.16% plus GST up to September 30, 2022) on disbursement. For other DSAs' and Banks the range is from 0.75% to 1.25% plus GST. The volume of cases sourced by HDFC Bank and their conversion ratio of login to sanction is on higher side as compared to other DSA's.	15.00	40.00	3.03%
4	HDFC Bank Limited	Associate Company of holding Company	Bank charges	-	Availing of service	No specific tenure for the arrangement.	At commercial rates in ordinary course of business.	0.05	0.50	0.04%

All the aforesaid transactions are undertaken in furtherance of the business activities and are in accordance with the applicable laws, therefore, in the interest of the Company.

In the financial year 2023-24, all the aforementioned transactions, in the aggregate, are expected to cross the applicable materiality thresholds as mentioned above. Accordingly, as per the SEBI Listing Regulations, prior approval of the shareholders is sought for all these arrangements / transactions to be undertaken (whether individual transactions or transactions taken together or series of transactions or otherwise) with HDFC Bank, whether by way of continuation(s) or extension(s) or renewal(s) or modification(s) of earlier arrangements / transactions or as fresh and independent transaction (s) or otherwise, in the financial year 2023-24. The above transactions are in the ordinary course of business of the Company and on an arm's length basis.

HDFC Credila Financial Services Limited

(Formerly known as HDFC Credila Financial Services Private Limited)

Regd. Office: B-301, Citi Point, Andheri-Kurla Road, Andheri (East), Mumbai - 400 059 India,

Tel: +91-022-28266636 **Email:** investor@hdfccredila.com **Website:** www.hdfccredila.com

CIN : U67190MH2006PLC159411

In view of the above, the Company proposes to obtain prior approval of the shareholders for grant of authority to the Board of Directors for carrying out / continuing with such arrangements and transactions as specified in the resolution or as mentioned above (whether individual transactions or transactions taken together or series of transactions or otherwise) with HDFC Bank, being a related party, whether by way of continuation(s) or extension(s) or renewal(s) or modification(s) of earlier arrangements / transactions or as fresh and independent transaction (s) or otherwise notwithstanding the fact that all such transactions entered into during the financial year 2023-24, whether individually or in aggregate may exceed materiality threshold as stated above.

The Audit Committee of the Company has granted approval for the related party transactions proposed to be entered into by the Company with HDFC Bank for financial year 2023-24 including as stated in the resolution and explanatory statement and has also noted that the said transactions with HDFC Bank are on arm's length basis and in the ordinary course of the Company's business. The management has provided the Audit Committee with the description of the transactions.

None of the Directors or Key Managerial Personnel of the company or their relatives are interested in the proposed Resolution, financially or otherwise.

The Board recommends the resolutions for your approval*.

*The shareholders may please note that in terms of the provisions of the SEBI Listing Regulations, the related parties as defined thereunder (whether such related party(ies) is a party to the aforesaid transactions or not), shall not vote to approve resolutions under this Item No. 5.

On Behalf of the Board of Directors

Akanksha Kandoi
Company Secretary

Place: Mumbai
Date: February 06, 2023

Registered Office 301, Citi Point,
Andheri-Kurla Road, Andheri (East),
Mumbai - 400 059

HDFC Credila Financial Services Limited

(Formerly known as HDFC Credila Financial Services Private Limited)

Regd. Office: B-301, Citi Point, Andheri-Kurla Road, Andheri (East), Mumbai - 400 059 India,

Tel: +91-022-28266636 **Email:** investor@hdfccredila.com **Website:** www.hdfccredila.com

CIN : U67190MH2006PLC159411

ATTENDANCE SLIP

(Please hand over at the entrance of the Meeting venue)

Folio No./Client ID	
Name and address of the shareholder	

I hereby record my presence at the Extra-Ordinary General Meeting of the shareholders of the Company held at the office of Housing Development Finance Corporation Limited, HDFC House, H. T. Parekh Marg, 165-166 Backbay Reclamation, Churchgate, Mumbai 400 020 on Tuesday, February 28, 2023 at 2:00 P.M

Full name of the Shareholder / Proxy attending the meeting	
Shareholder's/ Proxy's Signature	

Note: Your entry to the meeting will be regulated by this attendance slip.

.....

HDFC Credila Financial Services Limited

(Formerly known as HDFC Credila Financial Services Private Limited)

Regd. Office: B-301, Citi Point, Andheri-Kurla Road, Andheri (East), Mumbai - 400 059 India,

Tel: +91-022-28266636 **Email:** investor@hdfccredila.com **Website:** www.hdfccredila.com

CIN : U67190MH2006PLC159411

Form No. MGT – 11

PROXY FORM

[Pursuant to the provisions of Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the shareholder (s):		E-mail:	
Registered Address:		Folio no./Client ID:	
		DP ID:	

I/We being the shareholder(s) of _____ equity shares of Rs.10/- each of HDFC Credila Financial Services Limited, hereby appoint:

1. Name: _____

Address: _____

E-mail: _____

_____, Signature: _____, Or failing him /her

2. Name: _____

Address: _____

E-mail: _____

_____, Signature: _____, Or failing him / her

3. Name: _____

Address: _____

E-mail: _____

_____, Signature: _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Extra-Ordinary General Meeting of the shareholders of the Company to be held on Tuesday, February 28, 2023 at the office of Housing Development Finance Corporation Limited, HDFC House, H. T. Parekh Marg, 165-166 Backbay Reclamation, Churchgate, Mumbai 400 020 and at any adjournment(s) thereof, in respect of such resolutions in the manner as indicated below:

HDFC Credila Financial Services Limited

(Formerly known as HDFC Credila Financial Services Private Limited)

Regd. Office: B-301, Citi Point, Andheri-Kurla Road, Andheri (East), Mumbai - 400 059 India,

Tel: +91-022-28266636 **Email:** investor@hdfccredila.com **Website:** www.hdfccredila.com

CIN : U67190MH2006PLC159411

Sr. No.	Brief details of the resolution	Optional		
		FOR	AGAINST	ABSTAIN
1	To consider, and if thought fit, to pass, with or without modification(s), the Special Resolution for approving the limits of borrowing by the Company			
2	To consider, and if thought fit, to pass, the Special Resolution for issuance of Redeemable Non-Convertible Debentures and/or other hybrid instruments on a private placement basis			
3	To consider, and if thought fit, to pass, the Ordinary Resolution for increasing the Authorised Share Capital of the Company			
4	To consider, and if thought fit, to pass, the Ordinary Resolution for alteration in the Capital Clause of Memorandum of Association of the Company			
5	To consider, and if thought fit, to pass, the following resolution as an Ordinary Resolution for entering into related party transaction with HDFC Bank Ltd			

Signed this _____ day of _____, 2023

Signature of shareholder (s): _____

Signature of the Proxy holder(s): _____

Affix
Revenue
Stamp

NOTES:

1. This form of proxy in order to be effective should be duly completed and deposited at the registered office of the company, not less than 48 hours before the commencement of the meeting.
2. A Proxy need not be a shareholder of the Company.
3. A person appointed as proxy shall act on behalf of not more than fifty (50) shareholders and holding not more than 10% of the total share capital of the company carrying voting rights. However, a shareholder holding more than 10% of the total share capital of the company carrying voting rights may appoint a single person as Proxy and such person shall not act as proxy for any other person or shareholder.
4. Optional. Please put a '√' in the appropriate column against the resolutions indicated in the box.

XXXXXXXXXXXXXXXXXXXXXXXXXXXX

HDFC Credila Financial Services Limited

(Formerly known as HDFC Credila Financial Services Private Limited)

Regd. Office: B-301, Citi Point, Andheri-Kurla Road, Andheri (East), Mumbai - 400 059 India,

Tel: +91-022-28266636 **Email:** investor@hdfccredila.com **Website:** www.hdfccredila.com

CIN : U67190MH2006PLC159411

ROUTE MAP TO THE EGM VENUE

