HOUSING DEVELOPMENT FINANCE CORPORATION LIMITED
www.hdfc.com

Ref. No. SE/ 2022-23/288

January 24, 2023

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

Kind Attn: Sr. General Manager
DCS - Listing Department

National Stock Exchange of India Limited
Exchange Plaza, Plot No. C/1, Block G,
Bandra-Kurla Complex, Bandra (East)
Mumbai 400 051

Kind Attn: Head - Listing

Dear Sirs,

Sub: Disclosure in terms of Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We refer to our intimation dated January 20, 2023, wherein we had submitted a term sheet dated January 20, 2023 for issue of secured redeemable non-convertible debentures under Series AB-001, in accordance with Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In this connection, please find attached the term sheet for issue of secured redeemable non-convertible debentures under Series AB-001, containing the coupon rate determined through Electronic Bidding Platform today i.e. January 24, 2023 along with the revised cash flows.

This is for your information and record.

Thank you,

Yours faithfully,
For **Housing Development Finance Corporation Limited**

AJAY GIRIDHARILAL AGARWAL
Digitally signed by AJAY GIRIDHARILAL AGARWAL
Date: 2023.01.24 15:30:22 +05'30'

Ajay Agarwal
Company Secretary

Encl: as above

Term Sheet (SERIES AB-001 Dated 24th January 2023)

Security Name	HDFC SERIES AB-001 27th January 2033
Issuer	Housing Development Finance Corporation Limited
Type of Instrument	Secured Redeemable Non-Convertible Debentures
Nature of Instrument	Secured
Seniority	Senior
Mode of Issue	Private Placement
Eligible Investors	Please see the paragraph on 'Eligible Investors' of this Shelf Placement Memorandum. Further, only the persons who are specifically addressed through a communication are eligible to apply for the Debentures. No other person can apply.
Listing where NCDs will be listed and timeline for listing	BSE Limited and National Stock Exchange of India Limited. The Debentures issued in terms of this Shelf Placement Memorandum will be listed on the stock exchanges as per timeline prescribed by SEBI .
Rating of the instrument	"CRISIL AAA" by CRISIL Ltd "ICRA AAA" by ICRA Ltd
Issue Size (Rs.)	Rs. 3000 crore
Minimum Subscription	One Hundred Debentures of ₹1 lakh each
Option to retain oversubscription (Rs.)	Rs 2000 cr
Objects of the Issue/ Purpose for which there is requirement of funds	The object of the issue is to augment the long-term resources of the Corporation. The proceeds of the present issue would be utilized for financing / refinancing the housing finance business requirements of the Corporation.
Details of the utilization of the proceeds	The proceeds would be utilized for meeting the Object of the Issue.
In case the Issuer is a NBFC and the objects of the issue entail loan to any entity who is a 'group company'	Not Applicable Housing Finance Companies are not permitted to facilitate resource requests of or utilization by group entities/ parent company/ associates.
Coupon Rate	7.69% p.a.
Step Up/Step Down Coupon Rate	Not Applicable
Coupon Payment Frequency	Annual
Coupon Payment Dates	27th January every year up to Redemption Date
Coupon Type(fixed, floating or other structure)	Fixed
Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc.)	Not Applicable
Day Count Basis	Actual / Actual
Bid Opening Date	24th January 2023
Bid Closing Date	24th January 2023
Manner of Bidding	Open Book
Manner of Allotment	Uniform Rate
Interest on Application Money (NA)	Not Applicable
Default Interest Rate	In case of default in payment of Coupon and/ or redemption of the principal amount of the Debentures on the respective due dates, additional interest of at least 2% (Two Percent) per annum over and above the Coupon

	Rate shall be payable by the Company for the defaulting period until the defaulted amount together with the delay penalty is paid. Where the Company fails to execute the trust deed within the period specified by SEBI, then without prejudice to any liability arising on account of violation of the provisions of the Securities and Exchange Board of India Act, 1992 and the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, the Company shall also pay interest of at least 2% (Two Percent) per annum or such other rate, as specified by SEBI to the Debenture Holders, over and above the Coupon Rate, till the execution of the Trust Deed.
Tenor	10 Years
Redemption Date	27th January 2033
Redemption Amount	Rs 1,00,000/- each
Redemption Premium/Discount	Not Applicable
Issue Price	Rs 1,00,000/- each
Discount at which security is issued and the effective yield as a result of such discount	Not Applicable
Put Option Date	27th January 2026 (One Time Put Option)
Put Option Price	The Debentureholders will have an one time "Put Option" at the end of Thirty Six (36) months, at par, from the Deemed Date of Allotment i.e. on January 27, 2026 ("Put Date") by giving prior notice of Thirty (30) days to the Issuer. In the event of the Debentureholders exercise the "Put Option" as aforesaid, interest on the Debentures would be paid from the last interest payment date till one day preceding the "Put Date". Upon receipt of the "Notice of Put" from the Debentureholders, the said debentures would not be permitted to be sold / transferred thereafter
Call Option Date	Not Applicable
Call Option Price	Not Applicable
Put Notification Time	Prior Notice of Thirty (30) days to the Issuer
Call Notification Time	Not Applicable
Face Value	₹1 lakh each
Minimum Application and in multiples of thereafter	One Hundred Debentures of ₹1 lakh each and in multiple of One Debenture thereafter
Issue Timing	10:30 am to 11:30 am
Issue Opening Date	24th January 2023
Issue Closing Date	24th January 2023
Date of earliest closing of the issue, if any	Not Applicable
Pay-in Date	27th January 2023
Deemed Date of Allotment	27th January 2023
Issuance Mode	Dematerialized mode only
Trading Mode	Dematerialized mode only
Settlement Mode	RTGS/NEFT/Fund Transfer
Depositories	NSDL/CDSL
Disclosure of Interest/ redemption dates	As per the relevant Tranche Placement Memorandum

Business Day Convention	Means any day (excluding Sundays and any day which is a public holiday under Section 25 of the Negotiable Instruments Act, 1881 at Mumbai, India) on which the money market is functioning in Mumbai and the term "Business Days" is to be construed accordingly. For further details, please Refer “Effect on Holidays” in the Shelf Placement Memorandum dated December 7, 2022.
Record Date	The record date will be 15 days prior to each interest payment / principal repayment date
All covenants of the issue (including side letters, accelerated payment clause etc.)	The major covenants of the issue include: • Interest rate, computation of interest, payment of interest; • Interest on application money; • Business day, record date; • Redemption, payment of redemption amount; • Listing and Rating; and • Mode of transfer of NCDs. For further details, please refer the Debenture Trust Deed dated December 7, 2022. No side letters are executed pursuant to the said Issue.
Description regarding Security (where applicable) including type of security (movable/immovable/tangible etc.), type of charge (pledge/ hypothecation/ mortgage etc.), date of creation of security/ likely date of creation of security, minimum security cover, revaluation, replacement of security, interest to the debenture holder over and above the coupon rate as specified in the Trust Deed and disclosed in the Offer Document/ Information Memorandum)	Secured by way of Negative Lien on the Assets (as defined under DTD), to the extent of Asset Cover (as defined under DTD), except to the extent of the charge created in favour of its depositors of the Company pursuant to the regulatory requirement under Section 29B of the National Housing Bank Act, 1987. However, the Company shall, from time to time, be entitled to create any charge, mortgage, pledge, security interest, encumber or create lien on its Assets, subject to maintenance of Asset Cover, except to the extent of charge created in favour of its depositors pursuant to the regulatory requirement under Section 29B of the National Housing Bank Act, 1987 or as may be required under any law, regulation, guidelines or rules. Date of creation of security: To be done in due course. Security cover available as on September 30, 2022, for NCDs issued by the Corporation: 2.85 Date of registration of charge on the security: The requisite form for creating charge was filed with the Registrar of Companies on December 29, 2022 The Debenture holder will not be paid any interest over and above the coupon rate as specified above
The offer will be subject to the Proposed Transaction	Notwithstanding anything contained to the contrary in any of the Transaction Documents or any connected or related documents, and without any further act, deed or writing on the part of any person:

	(a) the Debentures and the Transaction Documents shall be subject to the provisions of the Scheme; (b) none of the Company, HDFC Bank Limited, the Debenture Trustee, any authorities, registrars, depositories, depository participants, stock exchanges, other intermediaries, etc., shall need to obtain any consent, approval, no-objection from or make any intimation to any of the Debenture Holders and/or the Debenture Trustee, for the Scheme and/or the Proposed Transaction, Provided however that if any such consent, etc. is required in terms of any Applicable Law or otherwise deemed necessary, then the same is hereby deemed to have been given by the Debenture Holders and the Debenture Trustee merely by the act of subscription to the Debentures or accepting the relevant Transaction Documents; (c) any changes, modifications, amendments, as may be required to be made to the Debentures or the structure or the terms and conditions thereof: (a) to give effect to what has been stated in clause (f) below or (b) by reason of the difference in regulatory or statutory regimes applicable to housing finance companies and banks, shall be deemed to be have been made automatically merely by virtue of the Scheme becoming effective; and neither the Company, nor HDFC Bank Limited shall need any consent or approval or no objection of or intimation to any of the Debenture Holders or the Debenture Trustee for any such changes, etc. The Debenture Holders and Debenture Trustee shall be bound to extend any support including signing, execution, performance of any documents, any acts, deeds or writing, as may be deemed necessary by the Company or HDFC Bank Limited in this regard. Further, in this regard, the Debenture Trustee shall not need any consent or approval of or no objection of or intimation to any of the Debenture Holders, for undertaking or delivering or signing, executing, performing any such act, deed or writing or taking any steps as may be deemed necessary by the Company or HDFC Bank Limited; (d) none of the Company, HDFC Bank Limited and the Debenture Trustee, any authorities, registrars, depositories, depository participants, stock exchanges, other intermediaries, etc., shall need to obtain any consent, approval, no-objection from or make any intimation to any of the Debenture Holders and/or the Debenture Trustee, for any procedural requirements that may be required to be followed or carried out due to the change to/creation of any security registration numbers, ISIN, etc., due to the proposed transfer of the business of the Company to HDFC Bank Limited upon the Scheme becoming effective; (e) any changes or deemed changes, due to the Scheme, to the Debentures, structure or terms or conditions thereof or any Transaction Documents and any acts or omissions in relation to any clauses of the Transaction Documents or covenants which are amended

	or deemed amended by virtue of the Scheme or the Proposed Transaction, shall not be treated as Event of Default under or for any of the Transaction Documents. (f) forthwith upon the coming into effect of the Scheme: 1. the provisions of the Transaction Documents for creation of any Security including the Negative Lien, issuance of Power of Attorney, maintenance of Asset Cover, or agreement for any of the aforesaid, shall stand automatically cancelled, released and/or terminated. Further, upon the Scheme becoming effective, no security of whatsoever nature shall be created by HDFC Bank Limited (as the transferee of the Company in relation to the Debentures) for securing the Debentures or any amounts payable to/obligation to the Debenture Trustee/Debenture Holders; the entire Security including all the relevant documents like the Power of Attorney, etc., shall stand automatically cancelled, released and/or terminated; 2. the Debentures shall become unsecured; and 3. the Transaction Documents shall be deemed to be amended to the above extent and effect. (g) Without prejudice to the generality of the above, the Transaction Documents and the Debentures, shall also be subject to Clause 22.4 of the Scheme, the extracts of which, are reproduced as follows: *"Notwithstanding anything contained to the contrary in this Scheme, any Encumbrance existing prior to the Effective Date, which may have been created on the assets of the Amalgamating Company (being a housing finance company) in relation to the deposits and/ or any other liabilities of the Amalgamating Company: (a) pursuant to regulatory/ statutory requirements that are applicable to housing finance companies under the Applicable Law; or (b) by way of contract, shall, after the Effective Date, without any further act, instrument or deed be automatically released and/or terminated as relevant, and such deposits and other liabilities shall become unsecured, if such Encumbrance is either not required or not permitted under the regulatory/ statutory requirements applicable to the Amalgamated Company (being a banking company) under the Applicable Law."*
Transaction Documents	Term Sheet Rating Letter Rating Rationale Trustee Consent
Manner of Settlement	Clearing Corporation Mechanism
Other Terms (if any)	**Subscription by FPIs** With reference to the Notification bearing No. RBI/2011-12/423 A.P. (DIR Series) Circular No. 89 dated March 1, 2012 issued by Reserve Bank of India, Foreign Exchange Department, Central Office, Mumbai – 400 001 in respect

	of Foreign Institutional Investor (FII) investment in 'to be listed' debt securities, HDFC confirms that the debentures would be listed within 15 days from the deemed date of allotment. In case the Debentures issued to the SEBI registered Foreign Portfolio Investors (FIIs / sub-accounts of FIIs/FPIs) are not listed within 15 days from the deemed date of allotment the SEBI mandated timelines, for any reason, then HDFC would immediately redeem / buyback the debentures from the FIIs/sub-account of the FIIs/FPIs. **Tax Deduction at Source** Tax as applicable under the Income-tax Act, 1961, or any other statutory modification or re-enactment thereof will be deducted at source, as applicable. For seeking TDS exemption/lower rate of TDS, relevant certificate / document must be lodged by the debenture holders with the Investors Services Department of the Corporation at least 15 days before the interest becoming due for payment. **Payment of Redemption Amount** Payment of the redemption amount of the Debentures will be made by the Corporation to the beneficiaries as per the statement of beneficial position provided by the Depositories as on the record date. The said redemption amount of the Debentures will be credited to the bank account of the beneficiaries as stated in the statement of beneficial position provided by the Depositories. The Corporation shall not be responsible for any non-payment claimed by the Debenture holder on account of rejection of any electronic payment due to incorrect bank details stated in the said statement. The Corporation's liability to the Debenture holder in respect of all their rights including for payment or otherwise shall cease and stand extinguished after maturity in all events save and except the Debenture holder's right of redemption as stated above. Once the redemption amount is credited to the bank account of the respective Debenture holders, as aforesaid, the liability of the Corporation shall stand extinguished.
Conditions Precedent to Disbursement	Not Applicable
Timelines for issuance and listing of Debentures	As prescribed by SEBI vide its circular dated August 10, 2021 and as may be amended from time
Default of Payment	In case of default in payment of Interest and/or principal redemption on the due dates, an additional interest of at least @ 2% p.a. over the coupon rate will be paid for the defaulting period by the Corporation.
Delay in Listing	As may be prescribed by SEBI vide its circular dated August 10, 2021 and as may be amended from time

Delay in allotment of securities	As prescribed by SEBI vide its circular dated August 10, 2021 and as may be amended from time
Conditions Subsequent to Disbursement	Not Applicable
Events of Default (including manner of voting/conditions for joining inter creditor agreement)	Following are certain events/circumstances which can be an Event of Default: • Default in redemption of debentures and payment of interest; • Default in performance of covenants and conditions; • Supply of misleading information in the application by the Company to the Debenture Holder(s) for financial assistance by way of subscription to the Debentures; and • Proceedings against the company under bankruptcy or insolvency law. • If the security is in jeopardy. For further details on Events of Default, please refer the Debenture Trust Deed dated December 7, 2022.
Creation of Recovery Expense Fund	As specified in SEBI circular SEBI/HO/MIRSD/CRADT/CIR/P/2020/207 dated October 22, 2020, an amount of ₹25 lakh has been deposited with NSE being the Designated Stock Exchange for creation of recovery expense fund and will be utilized in such manner and for such purposes as prescribed by the Securities Exchange Board of India. The said amount was paid on January 5, 2021 **SEBI Fees** Please note that the National Stock Exchange of India Limited is also the Designated Stock Exchange for the purpose of payment of fees to SEBI. The said fees will be paid by the Corporation in due course.
Conditions for breach of covenants	As more particularly set out in the Debenture Trust Deed dated December 7, 2022.
Provisions related to Cross Default Clause	Not Applicable
Role and Responsibilities of Debenture Trustee and fees charged	Following are certain roles and responsibilities of the Debenture Trustee: • Perform such acts as are necessary for the protection of the interest of the Debenture Holders and resolve the grievances of the Debenture Holders. • Follow up for redemption of Debentures in accordance with the Terms and Conditions of Debentures. • Call for quarterly reports certifying that the Security are sufficient to discharge the Interest and principal amount at all times and that such Security are free from any other encumbrances except as set out under this Deed. • In case the Company commits any breach of the terms of the Deed, the Debenture Trustee in consultation with the Debenture Holders shall take such reasonable steps as maybe necessary to remedy such breach.

	For further details on roles and responsibilities of Debenture Trustee and fees charged, please refer the Debenture Trust Deed dated December 7, 2022 and Debenture Trustee Agreement dated December 6, 2022
Risk Factors pertaining to the issue	For detailed risk factors, please refer to the Risk Factors section in the Shelf Placement Memorandum
Governing Law and Jurisdiction	The debentures are being governed by and shall be constructed exclusively in accordance with the existing Indian laws. Any dispute arising thereof will be subject to the exclusive jurisdiction of the courts in the city of Mumbai, India
Arrangers to the Issue (if any)	Axis Bank Ltd ICICI Bank Ltd IDFC First Bank Ltd
Underwriters to the Issue (if any)	Not Applicable

Note:

A. While debt securities are secured to the tune of 100% of the principal and interest amount or as per the terms of Shelf Placement Memorandum in favour of Debenture Trustee, it is the duty of the Trustee to monitor that the security is maintained, however, the recovery of 100% of the amount shall depend on the market scenario at the time of enforcement of the security.

B. If there is any change in Interest Rate pursuant to any event including lapse of certain time period or downgrade in rating, then such new Interest Rate and events which lead to such change shall be disclosed by the Corporation.

C. The list of documents which has been executed in connection with the issue and subscription of debt securities shall be annexed.

Banking Details for depositing the subscription monies:

Name of the Bank	HDFC Bank Limited
IFSC	HDFC0000060
Current Account No	ICCLEB
Name of the Beneficiary	Indian Clearing Corporation Limited

Cash flows in respect of Debenture of face value ₹1 lakh for Series AB-001
(If held till Redemption Date)

Cash Flows	Date	No. of days in Coupon Period	Amount (in Rupees)
1st Coupon	Saturday, 27 January, 2024	365	7 690
2nd Coupon	Monday, 27 January, 2025	366	7 690
3rd Coupon	Tuesday, 27 January, 2026	365	7 690
4th Coupon	Wednesday, 27 January, 2027	365	7 690

5th Coupon	Thursday, 27 January, 2028	365	7 690
6th Coupon	Saturday, 27 January, 2029	366	7 690
7th Coupon	Monday, 28 January, 2030	365	7 690
8th Coupon	Monday, 27 January, 2031	365	7 690
9th Coupon	Tuesday, 27 January, 2032	365	7 690
10th Coupon	Thursday, 27 January, 2033		7 690
Principal	Thursday, 27 January, 2033		1 00 000
Total			1 76 900

Cash flows in respect of Debenture of face value value ₹1 lakh for Series AB-001 (In case of One time Put Option is exercised)

Cash Flows	Date	No. of days in Coupon Period	Amount (in Rupees)
1st Coupon	Saturday, 27 January, 2024	365	7 690
2nd Coupon	Monday, 27 January, 2025	366	7 690
3rd Coupon	Tuesday, 27 January, 2026	365	7 690
Principal	Tuesday, 27 January, 2026		1 00 000
Total			1 23 070

Note:

The above table is illustrative and indicative. The actual dates and maturity amount will be in accordance to and in compliance with the provisions of SEBI circular CIR/IMD/DF/18/2013 dated October 29, 2013, and further circular issued from time to time, giving effect to actual holidays and dates of maturity which qualifies the SEBI requirement.

For Housing Development Finance Corporation Ltd,

AJAY GIRIDHARILAL AGARWAL
Digitally signed by AJAY GIRIDHARILAL AGARWAL
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Date: 2023.01.24 15:31:33 +05'30'

Authorized Signatories