

February 26, 2024

BSE Limited
Dept. of Corporate Services
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai – 400 001.
Scrip Code:500180

National Stock Exchange of India Limited
The Listing Department
Exchange Plaza,
Bandra Kurla Complex,
Mumbai – 400 051
Scrip Symbol: HDFCBANK

Dear Sir,

Sub: Intimation under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) - Notice of Postal Ballot

Pursuant to Regulation 30 of the SEBI Listing Regulations, please find enclosed herewith a copy of the Postal Ballot Notice dated February 22, 2024 together with the Explanatory Statement thereto, seeking approval of the Members of HDFC Bank Limited (“the Bank”) on the following items of special business, by means of electronic voting (remote e-voting) in compliance with the relevant circulars issued by the Ministry of Corporate Affairs (“MCA”) and the Securities & Exchange Board of India (“SEBI”) in this regard:

Sr. No.	Particulars	Type of Resolution
1.	To approve revised remuneration of Non-Executive Directors (including Independent Directors) except for Part Time Independent Chairman	Ordinary Resolution
2.	To approve the appointment of Dr. (Mr.) Harsh Kumar Bhanwala (DIN: 06417704) as an Independent Director of the Bank	Special Resolution
3.	Approval of Related Party Transactions with HDB Financial Services Limited	Ordinary Resolution
4.	Approval of Related Party Transactions with HDFC Securities Limited	Ordinary Resolution
5.	Approval of Related Party Transactions with HDFC Life Insurance Company Limited	Ordinary Resolution
6.	Approval of Related Party Transactions with HDFC ERGO General Insurance Company Limited	Ordinary Resolution
7.	Approval of Related Party Transactions with HDFC Credila Financial Services Limited	Ordinary Resolution
8.	To approve the Related Party Transactions with HCL Technologies Limited	Ordinary Resolution

In compliance with the applicable circulars, the Postal Ballot Notice is being sent to all Members whose names appear in the Register of Members / Register of Beneficial Owners maintained by the Depositories viz. National Securities Depository Limited (“NSDL”) and Central Depository Services (India) Limited (“CDSL”) and whose email address is registered with Depositories, Bank and / or Datamatics Business Solutions Limited (“RTA”) as on Friday, February 23, 2024 (**cut-off date**). The Postal Ballot Notice is also being uploaded on the Bank’s website at <https://www.hdfcbank.com/personal/about-us/postal-ballot>



We understand your world

The Bank has engaged NSDL for facilitating remote e-voting to enable the Members to cast their votes electronically. The remote e-voting on the resolutions set out in the Postal Ballot Notice shall commence on Thursday, February 29, 2024 at 9:00 A.M. (IST) and end on Friday, March 29, 2024 at 5:00 P.M. (IST). The Postal Ballot Notice is also being uploaded on the website of NSDL at <https://www.evoting.nsdl.com>.

The Board of Directors of Bank have appointed Mr. B. Narasimhan of M/s. B.N. & Associates, Practising Company Secretaries and in his absence, Mr. V. V. Chakradeo of M/s. V. V. Chakradeo & Co., Practising Company Secretaries, as the Scrutinizer, for conducting the Postal Ballot process in a fair and transparent manner.

The results of the Postal Ballot will be announced within two (2) working days from the end of the e-voting period. The results of the remote e-voting and the Scrutinizer's report will be placed on the Bank's website at <https://www.hdfcbank.com/personal/about-us/postal-ballot>, on the website of NSDL at <https://www.evoting.nsdl.com>, will be communicated to the stock exchanges, and will be displayed at the Registered Office as well as Corporate Office of the Bank.

This is for your information and appropriate dissemination.

Thank you,

Yours truly,

For **HDFC Bank Limited**

Santosh Haldankar
Company Secretary
Membership No. ACS 19201

Encl.: a/a

HDFC Bank Limited

Registered Office: HDFC Bank House, Senapati Bapat Marg, Lower Parel (W), Mumbai 400 013
[CIN: L65920MH1994PLC080618] [E-Mail: shareholder.grievances@hdfcbank.com]
[Website: www.hdfcbank.com] [Tel No.: 022 66316000]

POSTAL BALLOT NOTICE

[Pursuant to Section 110 of the Companies Act, 2013 (the "Act") read with Rule 22 of the Companies (Management and Administration) Rules, 2014]

Dear Member(s),

NOTICE is hereby given that pursuant to the provisions of Section 110 read with Section 108 and all other applicable provisions, if any, of the Act read with Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014, Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "**SEBI Listing Regulations**"), Secretarial Standard on General Meetings ("**SS-2**") issued by the Institute of Company Secretaries of India, including any statutory modification(s), clarification(s), substitution(s) or re-enactment(s) thereof for the time being in force, guidelines prescribed by the Ministry of Corporate Affairs (the "**MCA**"), Government of India, for holding general meetings / conducting postal ballot process through electronic voting ("**remote e-voting**") vide General Circular Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 22/2020 dated June 15, 2020, 33/2020 dated September 28, 2020, 39/2020 dated December 31, 2020, 10/2021 dated June 23, 2021, 20/2021 dated December 8, 2021, 3/2022 dated May 5, 2022, 11/2022 dated December 28, 2022 and 09/2023 dated September 25, 2023 (collectively referred to as "**MCA Circulars**") and any other applicable laws and regulations, the following items of special business are proposed to be passed by the Members of HDFC Bank Limited (the "**Bank**") through Postal Ballot via remote e-voting.

Special Business:

Item No. 1: To modify the resolution passed by the Members of the Bank at the 27th Annual General Meeting (AGM) held on July 17, 2021 with respect to approval of the revised remuneration of Non-Executive Directors except for Part Time Independent Chairman

To consider and if thought fit, to pass the following resolution, as an **Ordinary Resolution**:

"RESOLVED THAT in modification of the resolution passed by the Members of the Bank at the 27th AGM held on July 17, 2021, and pursuant to and subject to the applicable provisions of the Banking Regulation Act, 1949 and other laws including Reserve Bank of India's ("**RBI**") Circular on Corporate Governance in Banks - Appointment of Directors and Constitution of Committees of the Board dated April 26, 2021 and RBI's Circular on Review of Fixed Remuneration granted to Non-Executive Directors ("**NEDs**") dated February 9, 2024, and any other relevant RBI guidelines, each of the aforesaid as may be amended, restated, replaced or modified, from time to time, and all applicable provisions of the Companies Act, 2013 and the rules thereunder, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as may be amended, restated, replaced or modified, from time to time, the Articles of Association of the Bank and pursuant to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors of the Bank, approval of the Members of the Bank be and is hereby accorded to pay compensation in the form of fixed remuneration as follows (being commensurate with the individual director's responsibilities and demands on time), to each of the NEDs of the Bank (other than the Part Time Independent Chairman):

- (i) till February 15, 2024 (date inclusive)- ₹ 20,00,000 (Rupees Twenty Lakh only) per annum (on a proportionate basis) to each of the NEDs, and
- (ii) from February 16, 2024 (date inclusive)- ₹ 30,00,000 (Rupees Thirty Lakh only) per annum (on a proportionate basis) to each of the NEDs (however in case of any change in the limits in this regard under applicable law / relevant RBI guidelines or any other remuneration or compensation including in different form being allowed under applicable law / relevant RBI guidelines, then payment of the fixed remuneration and/or such compensation per such NED at the highest of the then applicable limits in this regard under such applicable law/RBI guidelines, from time to time);

and subject to and in accordance with the decisions in this regard and/or the applicable / relevant policy, if any, of the Board or the relevant Committee thereof, in addition to payment of sitting fees and reimbursement of expenses for attending the Board and Committee meetings.

RESOLVED FURTHER THAT the Members of the Bank do hereby accord approval to the Board of Directors of the Bank (including any Committee thereof or any person(s) authorised by the Board or the Committee in this regard) to sign, deliver 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 thereto and to delegate all or any of its powers herein conferred to any Committee of Directors and / or director(s) and / or officer(s) / employee(s) of the Bank / any other person(s) to give effect to the aforesaid resolution and also to take all such steps as may be necessary, proper or expedient to give effect to the aforesaid resolution."

Item No. 2: To approve the appointment of Dr. (Mr.) Harsh Kumar Bhanwala (DIN: 06417704) as an Independent Director of the Bank

To consider and if thought fit, to pass the following resolution, as a **Special Resolution**:

"RESOLVED THAT pursuant to Sections 149, 150, 152 and 161 read with Schedule IV and such other applicable provisions of

the Companies Act, 2013 (the "Act"), the Companies (Appointment and Qualification of Directors) Rules, 2014, Regulations 17 and 25(2A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Section 10A (2)(a) and such other applicable provisions of the Banking Regulation Act, 1949 and relevant circulars issued by the Reserve Bank of India ("RBI") from time to time, each of the aforesaid as may be amended, restated, replaced or modified, from time to time, and the Articles of Association of the Bank, and pursuant to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors of the Bank, the appointment of Dr. (Mr.) Harsh Kumar Bhanwala (DIN: 06417704), in respect of whom the Bank has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby approved by the Members as an Independent Director of the Bank having specialised experience *inter alia* in agriculture and rural economy, co-operation, business management and finance, to hold office for a period of three (3) years with effect from January 25, 2024 to January 24, 2027 (both days inclusive), not liable to retire by rotation.

RESOLVED FURTHER THAT in terms of and subject to the RBI's Circular on Corporate Governance in Banks - Appointment of Directors and Constitution of Committees of the Board dated April 26, 2021 and RBI's Circular on Review of Fixed Remuneration granted to Non-Executive Directors ("NEDs") dated February 9, 2024, and any other relevant RBI guidelines in relation to compensation to NEDs, each of the aforesaid as may be amended, restated, replaced or modified, from time to time and all applicable provisions of the Act and the rules thereunder, as may be amended, restated, replaced or modified from time to time, Dr. (Mr.) Harsh Kumar Bhanwala shall be paid fixed remuneration of ₹ 20,00,000 (Rupees Twenty Lakh only) per annum from the date of his appointment till February 15, 2024 (on proportionate basis), and thereafter fixed remuneration of ₹ 30,00,000 (Rupees Thirty Lakh only) per annum till the end of his tenure (on proportionate basis), being commensurate with the director's responsibilities and demands on time (however in case of any change in the limits in this regard under applicable law / relevant RBI guidelines or any other remuneration or compensation including in different form being allowed under applicable law / relevant RBI guidelines, then payment of the fixed remuneration and/or such compensation at the highest of the then applicable limits in this regard under such applicable law/RBI guidelines, from time to time), and subject to and in accordance with the decisions in this regard and/or the applicable / relevant policy, if any, of the Board or the relevant Committee thereof, in addition to payment of sitting fees and reimbursement of expenses for attending the Board and Committee meetings.

RESOLVED FURTHER THAT the Board of Directors of the Bank (which term shall include any Committee thereof) be and is hereby authorized to execute all such documents, instruments and writings, as deemed necessary, file requisite forms or applications with statutory/regulatory authorities, with the power to settle all questions, difficulties or doubts that may arise in this regard to the said appointment, as it may in its sole and absolute discretion deem fit and to do all such acts, deeds, matters and things as may be considered necessary and appropriate and to delegate all or any of its powers herein conferred to any director(s) and/or officer(s) of the Bank, to give effect to this resolution."

Item No. 3: Approval of Material Related Party Transactions with HDB Financial Services Limited

To consider and if thought fit, to pass the following resolution, as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the applicable provisions of the Companies Act, 2013 (the "Act") read with rules made thereunder, Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and other applicable laws, including any amendments, modifications, variations or re-enactments thereof, the Bank's Policy on Related Party Transactions and pursuant to the recommendation / approval of the Audit Committee and the Board of Directors of the Bank, approval of the Members of the Bank be and is hereby accorded to the Board of Directors of the Bank (hereinafter referred to as the "Board", which term shall be deemed to include any Committee constituted / empowered / to be constituted by the Board from time to time to exercise its powers conferred by this resolution) for entering into and / or continuing with arrangements/ contracts / agreements / transactions (whether individual transaction or transactions taken together or series of transactions or otherwise), with HDB Financial Services Limited ("HDBFSL"), being a related party of the Bank, for the financial year 2024-25, 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 and as set out in the explanatory statement annexed to this notice, notwithstanding the fact that all such transactions during financial year 2024-25, whether individually and/or in the aggregate, may exceed ₹ 1,000 crore or 10% of the annual consolidated turnover as per the Bank's last audited financial statements, whichever is lower, or any other materiality threshold as may be applicable under law/ regulations from time to time, provided that such arrangement(s) / contract(s) / agreement(s) / transaction(s) shall be carried out at an arm's length basis and in the ordinary course of business of the Bank:

- (i) granting of any loans or advances, credit facilities, or any other form of Fund-based facilities, and/or guarantees, letters of credit, or any other form of Non-Fund based facilities to or on behalf of HDBFSL, sanctioned upto an amount and on such terms and conditions (including rate of interest, security, tenure etc.) as permissible under applicable laws and the relevant policies of the Bank;
- (ii) purchase of loans or loan pools/pass-through certificates by way of assignment/securitisation of loans and servicing arrangements;
- (iii) investment in debt securities viz. non-convertible debentures/bonds of HDBFSL for which the Bank may act as an arranger/ syndicate banker, including proprietary purchases as permissible under the applicable rules and regulations;
- (iv) payment of sales/ back-office support and collection & recovery service fees;
- (v) entering into transactions in derivatives with HDBFSL wherein the Bank would act as authorised dealer in foreign exchange;
- (vi) 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, issuance of debt securities, etc.

RESOLVED FURTHER THAT approval of the Members of the Bank be and is hereby accorded to the Board to sign and execute

all such documents, contracts, agreements, 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 the Board and / or Director(s) and / or officer(s) / employee(s) of the Bank / any other person(s) to give effect to the aforesaid resolution and to settle all questions, difficulties or doubts that may arise in this regard.”

Item No. 4: Approval of Material Related Party Transactions with HDFC Securities Limited

To consider and if thought fit, to pass the following resolution, as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the applicable provisions of the Companies Act, 2013 (the “Act”) read with rules made thereunder, Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and other applicable laws, including any amendments, modifications, variations or re-enactments thereof, the Bank’s Policy on Related Party Transactions and pursuant to the recommendation / approval of the Audit Committee and the Board of Directors of the Bank, approval of the Members of the Bank be and is hereby accorded to the Board of Directors of the Bank (hereinafter referred to as the “Board”, which term shall be deemed to include any Committee constituted / empowered / to be constituted by the Board from time to time to exercise its powers conferred by this resolution) for entering into and / or continuing with arrangements/ contracts / agreements / transactions (whether individual transaction or transactions taken together or series of transactions or otherwise), with HDFC Securities Limited (“HSL”), being a related party of the Bank, for the financial year 2024-25, 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 and as set out in the explanatory statement annexed to this notice, notwithstanding the fact that all such transactions during financial year 2024-25, whether individually and/or in the aggregate, may exceed ₹ 1,000 crore or 10% of the annual consolidated turnover as per the Bank’s last audited financial statements, whichever is lower, or any other materiality threshold as may be applicable under law/ regulations from time to time, provided that such arrangement(s) / contract(s) / agreement(s) / transaction(s) shall be carried out at an arm’s length basis and in the ordinary course of business of the Bank:

- (i) granting of any loans or advances, credit facilities, or any other form of fund-based facilities, and / or guarantees, letters of credit, or any other form of non-fund based facilities to or on behalf of HSL, sanctioned upto an amount and on such terms and conditions (including rate of interest, security, tenure etc.) as permissible under applicable laws and the relevant policies of the Bank;
- (ii) purchase and sale of government securities, treasury bills, etc. on the basis of prevailing market rates/yields;
- (iii) purchase and sale of non-SLR securities as may be permitted as per prudential norms prescribed by Reserve Bank of India, on the basis of market price / fair value as may be applicable;
- (iv) 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, issuance of debt securities, etc.

RESOLVED FURTHER THAT approval of the Members of the Bank be and is hereby accorded to the Board to sign and execute all such documents, contracts, agreements, 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 the Board and / or Director(s) and / or officer(s) / employee(s) of the Bank / any other person(s) to give effect to the aforesaid resolution and to settle all questions, difficulties or doubts that may arise in this regard.”

Item No. 5: Approval of Material Related Party Transactions with HDFC Life Insurance Company Limited

To consider and if thought fit, to pass the following resolution, as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the applicable provisions of the Companies Act, 2013 (the “Act”) read with rules made thereunder, Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and other applicable laws, including any amendments, modifications, variations or re-enactments thereof, the Bank’s Policy on Related Party Transactions and pursuant to the recommendation / approval of the Audit Committee and the Board of Directors of the Bank, approval of the Members of the Bank be and is hereby accorded to the Board of Directors of the Bank (hereinafter referred to as the “Board”, which term shall be deemed to include any Committee constituted / empowered / to be constituted by the Board from time to time to exercise its powers conferred by this resolution) for entering into and / or continuing with arrangements / contracts / agreements / transactions (whether individual transaction or transactions taken together or series of transactions or otherwise), with HDFC Life Insurance Company Limited (“HDFC Life”), being a related party of the Bank, for the financial year 2024-25, 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 and as set out in the explanatory statement annexed to this notice, notwithstanding the fact that all such transactions during financial year 2024-25, whether individually and/or in the aggregate, may exceed ₹ 1,000 crore or 10% of the annual consolidated turnover as per the Bank’s last audited financial statements, whichever is lower, or any other materiality threshold as may be applicable under law/ regulations from time to time, provided that such arrangement(s) / contract(s) / agreement(s) / transaction(s) shall be carried out at an arm’s length basis and in the ordinary course of business of the Bank:

- (i) receipt of remuneration for distribution of life insurance products in the capacity of corporate agent of HDFC Life, in accordance with the rules and regulations prescribed by the Insurance Regulatory and Development Authority of India (“IRDAI”);
- (ii) purchase and sale of government securities, treasury bills, etc. on the basis of prevailing market rates/yields;
- (iii) purchase and sale of non-SLR securities, as may be permitted as per prudential norms prescribed by Reserve Bank of India, on the basis of market rates/yields as may be applicable;
- (iv) receipt of publicity fees in consideration of allowing HDFC Life to publicise its brand and products at the Bank’s branches/

ATMs etc.;

- (v) entering into transactions in derivatives with HDFC Life wherein the Bank would act as authorised dealer in foreign exchange;
- (vi) 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, funded and non-funded facilities, issuance of debt securities, etc.

RESOLVED FURTHER THAT approval of the Members of the Bank be and is hereby accorded to the Board to sign and execute all such documents, contracts, agreements, 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 the Board and / or Director(s) and / or officer(s) / employee(s) of the Bank / any other person(s) to give effect to the aforesaid resolution and to settle all questions, difficulties or doubts that may arise in this regard.”

Item No. 6: Approval of Material Related Party Transactions with HDFC ERGO General Insurance Company Limited

To consider and if thought fit, to pass the following resolution, as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the applicable provisions of the Companies Act, 2013 (the “Act”) read with rules made thereunder, Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and other applicable laws, including any amendments, modifications, variations or re-enactments thereof, the Bank’s Policy on Related Party Transactions and pursuant to the recommendation / approval of the Audit Committee and the Board of Directors of the Bank, approval of the Members of the Bank be and is hereby accorded to the Board of Directors of the Bank (hereinafter referred to as the “Board”, which term shall be deemed to include any Committee constituted / empowered / to be constituted by the Board from time to time to exercise its powers conferred by this resolution) for entering into and / or continuing with arrangements / contracts / agreements/ and transactions (whether individual transaction or transactions taken together or series of transactions or otherwise), with HDFC ERGO General Insurance Company Limited (“HDFC ERGO”), being a related party of the Bank, for the financial year 2024-25, 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 and as set out in the explanatory statement annexed to this notice, notwithstanding the fact that all such transactions during financial year 2024-25, whether individually and/or in the aggregate, may exceed ₹ 1,000 crore or 10% of the annual consolidated turnover as per the Bank’s last audited financial statements, whichever is lower, or any other materiality threshold as may be applicable under law/ regulations from time to time, provided that such arrangement(s) / contract(s) / agreement(s) / transaction(s) shall be carried out at an arm’s length basis and in the ordinary course of business of the Bank:

- (i) purchase and sale of government securities, treasury bills, etc. on the basis of prevailing market rates/yields;
- (ii) purchase and sale of non-SLR securities as may be permitted as per prudential norms prescribed by Reserve Bank of India, on the basis of market price / fair value as may be applicable;
- (iii) entering into transactions in derivatives with HDFC ERGO wherein the Bank would act as authorised dealer in foreign exchange;
- (iv) 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, funded and non-funded facilities, issuance of debt securities, etc.

RESOLVED FURTHER THAT approval of the Members of the Bank be and is hereby accorded to the Board to sign and execute all such documents, contracts, agreements, 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 the Board and / or Director(s) and / or officer(s) / employee(s) of the Bank / any other person(s) to give effect to the aforesaid resolution and to settle all questions, difficulties or doubts that may arise in this regard.”

Item No. 7: Approval of Material Related Party Transactions with HDFC Credila Financial Services Limited

To consider and if thought fit, to pass the following resolution, as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the applicable provisions of the Companies Act, 2013 (the “Act”) read with rules made thereunder, Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and other applicable laws, including any amendments, modifications, variations or re-enactments thereof, the Bank’s Policy on Related Party Transactions and pursuant to the recommendation / approval of the Audit Committee and the Board of Directors of the Bank, approval of the Members of the Bank be and is hereby accorded to the Board of Directors of the Bank (hereinafter referred to as the “Board”, which term shall be deemed to include any Committee constituted / empowered / to be constituted by the Board from time to time to exercise its powers conferred by this resolution) for entering into and / or continuing with arrangements / contracts / agreements/ transactions (whether individual transaction or transactions taken together or series of transactions or otherwise), with HDFC Credila Financial Services Limited (“HDFC Credila”), being a related party of the Bank, for the financial year 2024-25, 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 and as set out in the explanatory statement annexed to this notice, notwithstanding the fact that all such transactions during financial year 2024-25, whether individually and/or in the aggregate, may exceed ₹ 1,000 crore or 10% of the annual consolidated turnover as per the Bank’s last audited financial statements, whichever is lower, or any other materiality threshold as may be applicable under law/ regulations from time to time, provided that such arrangement(s) / contract(s) / agreement(s) / transaction(s) shall be carried out at an arm’s length basis and in the ordinary course of business of the Bank:

- (i) granting of any loans or advances, credit facilities, or any other form of fund-based facilities, and / or guarantees, letters of credit, or any other form of non-fund based facilities to or on behalf of HDFC Credila, sanctioned up to such amounts and

on such terms and conditions (including rate of interest, security, tenure etc.) as permissible under applicable laws and the relevant policies of the Bank;

- (ii) investments in non-convertible debentures (NCDs) and Commercial Papers (CPs) – Secured of HDFC Credila for which the Bank may act as an arranger/ syndicate banker, including proprietary purchases as permissible under the applicable rules and regulations;
- (iii) purchase of loans or loan pools/pass-through certificates by way of assignment/securitisation of loans and servicing arrangements
- (iv) entering into transactions in derivatives with HDFC Credila wherein the Bank would act as authorised dealer in foreign exchange;
- (v) 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, etc.

RESOLVED FURTHER THAT approval of the Members of the Bank be and is hereby accorded to the Board to sign and execute all such documents, contracts, arrangements, 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 the Board and / or Director(s) and / or officer(s) / employee(s) of the Bank / any other person(s) to give effect to the aforesaid resolution and to settle all questions, difficulties or doubts that may arise in this regard."

Item No. 8: Approval of Material Related Party Transactions with HCL Technologies Limited

To consider and if thought fit, to pass the following resolution, as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the applicable provisions of the Companies Act, 2013 (the "Act") read with rules made thereunder, Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and other applicable laws, including any amendments, modifications, variations or re-enactments thereof, the Bank's Policy on Related Party Transactions and pursuant to the recommendation / approval of the Audit Committee and the Board of Directors of the Bank, approval of the Members of the Bank be and is hereby accorded to the Board of Directors of the Bank (hereinafter referred to as the "Board", which term shall be deemed to include any Committee constituted/ empowered / to be constituted by the Board from time to time to exercise its powers conferred by this resolution) for entering into and / or continuing with arrangements / contracts / agreements/ and transactions (whether individual transaction or transactions taken together or series of transactions or otherwise), with HCL Technologies Limited ("HCL"), being a related party of HDFC Asset Management Company Limited, a subsidiary of the Bank, 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 and as set out in the explanatory statement annexed to this notice, notwithstanding the fact that all such transactions during the remaining period in financial year 2024-25, whether individually and/or in the aggregate, may exceed ₹ 1,000 crore or 10% of the annual consolidated turnover as per the Bank's last audited financial statements, whichever is lower, or any other materiality threshold as may be applicable under law/ regulations from time to time, provided that such arrangement(s) / contract(s) / agreement(s) / transaction(s) shall be carried out at an arm's length basis and in the ordinary course of business of the Bank:

- i. granting of any loans or advances, credit facilities, or any other form of Fund-based facilities, and/or guarantees, letters of credit, or any other form of non-fund based facilities to or on behalf of HCL, sanctioned upto such amounts and on such terms and conditions (including rate of interest, security, tenure, etc.) as may be permitted under applicable laws and the relevant policies of the Bank;
- ii. purchase and sale of non-SLR securities as may be permitted as per prudential norms prescribed by Reserve Bank of India, on the basis of market price / fair value as may be applicable;
- iii. entering into transactions in derivatives with HCL wherein the Bank would act as authorised dealer in foreign exchange;
- iv. 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, issuance of debt securities, etc.

RESOLVED FURTHER THAT approval of the Members of the Bank be and is hereby accorded to the Board to sign and execute all such documents, contracts, agreements, 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 the Board and / or Director(s) and / or officer(s) / employee(s) of the Bank / any other person(s) to give effect to the aforesaid resolution and to settle all questions, difficulties or doubts that may arise in this regard."

Registered office:
HDFC Bank House,
Senapati Bapat Marg,
Lower Parel (West),
Mumbai 400 013
E-mail: shareholder.grievances@hdfcbank.com
Website: www.hdfcbank.com

By Order of the Board of Directors

Santosh Haldankar
Company Secretary
Membership No. ACS 19201

Place: Mumbai
Date: February 22, 2024

Notes

1. An explanatory statement pursuant to Section 102 of the Companies Act, 2013 (the “Act”), setting out all material facts relating to the resolutions for Item Nos. 1 to 8 in this Notice is appended herein below for information and consideration of Members and the same should be considered as part of this Notice.
2. Relevant documents referred to in this Notice shall be available for inspection electronically by the Members until 5:00 p.m. (IST) of the last date of remote e-voting of this Postal Ballot i.e. Friday, March 29, 2024. Members who wish to inspect the documents are requested to send an email to santosh.haldankar@hdfcbank.com with copy marked to lakshmi.shetty@hdfcbank.com mentioning their name, folio no. / client ID and DP ID, and the documents they wish to inspect, with a self-attested copy of their PAN card attached to the email.
3. The Board of Directors have appointed Mr. B. Narasimhan of M/s. B.N. & Associates, Practicing Company Secretaries and in his absence, Mr. V. V. Chakradeo of M/s. V. V. Chakradeo & Co., Practicing Company Secretaries, as the Scrutinizer, for conducting the Postal Ballot process in a fair and transparent manner.
4. In accordance with the MCA Circulars and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “SEBI Listing Regulations”), the Bank is sending the Postal Ballot Notice in electronic form only, instead of dispatching hard copy of the Notice along with Postal Ballot Form and pre-paid business reply envelope to the Members for this Postal Ballot. Accordingly, the communication of the assent or dissent of the Members would take place through remote e-voting only.
5. The Postal Ballot Notice is being sent by e-mail to all Members, whose names appear in the Register of Members / Register of Beneficial Owners maintained by the Depositories, National Securities Depository Limited (the “NSDL”) and Central Depository Services (India) Limited (the “CDSL”) as on **Friday, February 23, 2024** (the “Cut-Off Date”) and who have registered their e-mail addresses, in respect of electronic holdings, with the Depository through the concerned Depository Participants and in respect of physical holdings, with the Registrar and Share Transfer Agent of the Bank, Datamatics Business Solutions Limited (the “RTA”), in accordance with the provisions of the Act read with the rules made thereunder and the framework provided under the MCA Circulars. Cut-Off Date is for determining the eligibility to vote by electronic means. A person who is not a Member as on the Cut-Off Date should treat this Notice for information purposes only. This Notice is also available at the Bank’s website: <https://www.hdfcbank.com/personal/about-us/postal-ballot> and the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com and National Stock Exchange of India Limited at www.nseindia.com and on the website of NSDL at <https://www.evoting.nsdl.com>.
6. In compliance with the provisions of Sections 108 and 110 and other applicable provisions of the Act, read with the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI Listing Regulations as amended from time to time, read with SEBI circular dated December 9, 2020 on remote e-voting facility provided by listed entities, and the applicable MCA Circulars, the Bank is pleased to offer remote e-voting facility to Members to cast their vote electronically.
7. The Bank has engaged National Securities Depository Limited (hereinafter referred to as NSDL or “Service Provider”) for facilitating remote e-voting to enable the Members to cast their votes electronically instead of dispatching Postal Ballot Form for this Postal Ballot.
8. To facilitate the Members who are eligible to vote as on Cut-Off Date and have not registered their e-mail address with the Bank, the Bank has made special arrangements with its RTA, for registration of e-mail addresses in accordance with the MCA Circulars. For Members who have not registered their e-mail addresses, the process for registration of e-mail address is as under:
 - a. Members who have not registered their e-mail address and in consequence the Notice could not be serviced, may temporarily get their e-mail address registered with the Bank’s RTA, by clicking the link: <https://hbemailregistration.datamaticsbpm.com> and following the registration process as guided thereafter.

Post successful registration of the e-mail, the Members would get soft copy of the Notice and the procedure for remote e-voting along with the User ID and Password to enable remote e-voting for this Postal Ballot. In case of any queries, Members may write to the RTA at hdinvestors@datamaticsbpm.com.
 - b. It is clarified that for permanent registration of e-mail address, Members are requested to register their e-mail addresses as follows:

Physical Holding	Send relevant documents to the RTA at hdinvestors@datamaticsbpm.com in Form ISR-1 available on the Bank’s website at https://www.hdfcbank.com/personal/about-us/corporate-governance/shareholders-information-and-helpdesk and also on the websites of the RTA https://www.datamaticsbpm.com/register-and-transfer-agent/information-to-shareholders/
Demat Holding	By contacting Depository Participant (“DP”) and registering e-mail address and mobile number in demat account, as per the process advised by the DP.
 - c. Those Members who have already registered their e-mail address are requested to keep their e-mail addresses validated with their DP / the Bank’s RTA, to enable servicing of notices, documents, annual reports and other communications electronically to their e-mail address in future.

9. The instructions for Members for remote e-voting are as under:

Individual Shareholders holding shares in electronic form					Shareholders holding shares in physical form or shareholders other than individual		
NSDL		CDSL		Login through DP			
Members already registered for NSDL IDeAS facility	Members not registered for NSDL IDeAS facility	Members who have opted for Easi / Easiest facility	Members not registered for Easi/ Easiest facility	Members can also login using the login credentials of their demat account through their DP registered with NSDL/ CDSL for e-voting facility	Visit the e-voting website of NSDL at https://www.evoting.nsdl.com either on a Personal Computer or on a mobile.		
Please visit the e-Services website of NSDL: https://eservices.nsdl.com either on a Personal Computer or on a mobile	May register at the option available at https://eservices.nsdl.com . Select "Register Online for IDeAS" Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp	Please click on www.cdslindia.com and click on New System Myeasi	May register at the option available at www.cdslindia.com	After login, you will be able to see e-voting option. Click on e-voting option	Click on "Shareholder/Member" login.		
Click on the "Beneficial Owner" icon under "Login" which is available under "IDeAS" section on the homepage of e-services	Alternatively, the Members may visit the e-voting website of NSDL at https://www.evoting.nsdl.com either on a Personal Computer or on a mobile.	Kindly enter your USER ID and Password	Alternatively, the Member can directly access e-voting page by providing Demat Account Number and PAN No. from a link in www.cdslindia.com home page.	After successful authentication, you will be redirected to NSDL/CDSL Depository site, wherein you can see e-voting feature.	Kindly enter your User ID and Password/OTP/Verification Code as shown on the screen. Alternatively, if you are registered for NSDL eservices i.e. IDeAS, you can log-in at https://eservices.nsdl.com with your existing IDeAS login. Once you log-in to NSDL eservices after using your log-in credentials, Click on e-voting services. Click on "Access to e-voting" under e-voting services and you will be able to see e-voting page.		
Kindly enter your User ID and Password.	Click on "Shareholder/ Member" login	After successful login of Easi/ Easiest, you will be also able to see the E-Voting Menu.	An OTP will be sent on the registered Mobile number and e-mail id for user authentication.		Manner of holding shares i.e. Demat mode (NSDL or CDSL) or Physical mode and the USER ID is:		
After successful authentication, you will be able to see e-voting services.	Kindly enter your User ID (i.e. your 16 digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen and Click on Login.						

Individual Shareholders holding shares in electronic form				Shareholders holding shares in physical form or shareholders other than individual			
NSDL		CDSL		Login through DP	NSDL	CDSL	Physical
After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting services.					8 Character DP ID followed by 8 Digit Client ID (For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300*** 12*****).	16 Digit Beneficiary ID (For example if your Beneficiary ID is 12***** then your user ID is 12***** (*****))	EVEN i.e.127978 + Folio Number registered with the Bank (For example, if your Folio Number is 001*** and EVEN is 127978 then your user ID is 127978 001*****).
Click on "Access to e-voting" under e-Voting services and you will be able to see e-Voting page.		Click on the links of e-voting service provider i.e. NSDL.			After successful login as mentioned above, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.		
Click on options available against HDFC Bank Limited or e-voting service provider i.e. NSDL and you will be re-directed to NSDL e-voting website for casting your vote during the e-Voting period, without any further authentication.					Select "EVEN" of HDFC Bank Limited i.e.127978.		

- After successful login as mentioned above, cast your vote by selecting appropriate option i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
- Once you cast vote and upon confirmation, the message "Vote cast successfully" will be displayed.
- You shall also receive a confirmatory SMS from NSDL that the vote has been cast.

In case of any queries, please refer to the FAQs-Shareholders and e-voting User Manual-Shareholder available in the Downloads section at www.evoting.nsdl.com or call on Toll Free No.:022 - 4886 7000 or send a request to Ms. Pallavi Mhatre, Senior Manager at evoting@nsdl.com

II. Password for e-voting:

- Password details for Members holding shares in physical form or Members other than individuals are given below:
If you are using NSDL e-voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you by NSDL. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- How to retrieve your 'initial password'?
 - a. If your e-mail is registered, your 'initial password' is communicated to you on your e-mail. Trace the e-mail sent to you from NSDL in your mailbox from evoting@nsdl.com. Open the e-mail and the attachment i.e., .pdf file.
The password to open the .pdf file is your 8-digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - b. In case you have not registered your e-mail, you may obtain the user ID and password by sending a request to evoting@nsdl.com.
- If you are unable to retrieve or have not received the 'initial password' or have forgotten your password:
 - a. Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b. "Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c. If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, PAN, name and registered address.
 - d. Members can also use OTP based login for casting votes on e-voting system of NSDL.
- After entering your password, click on Agree to "Terms and Conditions" by selecting on the check box.

- Click on “Login” button.
- After clicking the “Login” button, home page of e-voting will open.
- Kindly follow the e-voting process mentioned above for casting your vote.
- Help desk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depositories i.e. NSDL and CDSL:

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at Toll Free No.: 022 - 4886 7000.
Individual Shareholders holding securities in demat mode with CDSL	Contact CDSL helpdesk by sending a request at helpdesk. evoting@cdslindia.com or call at 1800 225 533.

- (i) Some of the important details regarding the e-voting facility are provided below:

Cut-off date for determining the Members entitled to vote	Friday, February 23, 2024
Commencement of e-voting period	Thursday, February 29, 2024 at 9:00 a.m. (IST)
End of e-voting period	Friday, March 29, 2024 at 5:00 p.m. (IST)

The e-voting module will be disabled by **NSDL after 5:00 p.m. on Friday, March 29, 2024.**

- (i) In case of joint holders, the Member whose name appears higher in the order of names as per the Register of Members of the Bank will be entitled to vote.
 - (ii) Institutional/corporate members, are requested to send a certified copy of the board resolution authorising their representative(s) to vote on their behalf, to the Scrutinizer by sending an e-mail to narasimhan.b8@gmail.com with a copy marked to evoting@nsdl.com by quoting the concerned DP ID and Client ID or Folio Number. The said documents can also be uploaded under “Upload Board Resolution/Authority Letter” displayed under “e-voting” tab.
 - (iii) The Scrutinizer will submit the results of the remote e-voting to the Chairperson of the Bank or the Authorized Officer(s) of the Bank after completion of the scrutiny of the e-voting.
 - (iv) The result of the Postal Ballot along with the Scrutinizer’s Report will be displayed on the Bank’s website <https://www.hdfcbank.com/personal/about-us/postal-ballot>, on the website of NSDL at <https://www.evoting.nsdl.com> and shall be communicated to the Stock Exchanges where the Bank’s shares are listed i.e. BSE Limited at www.bseindia.com and National Stock Exchange of India Limited at www.nseindia.com, within two (2) working days from the end of the e-voting period, and shall be displayed at the Registered Office as well as Corporate Office of the Bank.
10. Resolutions passed by the Members through Postal Ballot are deemed to have been passed as if the same were passed at a general meeting of the Members convened in that regard. The resolution(s), if approved by the requisite majority of Members by means of Postal Ballot, shall be deemed to have been passed on the last date of remote e-voting, i.e. **Friday, March 29, 2024.**

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

The following Explanatory Statement sets out the relevant information as required by Section 102 and other applicable provisions, if any, of the Companies Act, 2013 read with rules framed thereunder and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as may be amended, modified, replaced, substituted, re-stated and/or re-issued from time to time:

Item No. 1:

The Reserve Bank of India ("RBI") had issued a circular on Corporate Governance in Banks - Appointment of Directors and Constitution of Committees of the Board ("**RBI Circular**") on April 26, 2021. In terms of the RBI Circular, in addition to sitting fees and expenses related to attending meetings of the Board and its Committees as per extant statutory norms/ practices, the Bank may provide for payment of compensation to Non-Executive Directors in the form of a fixed remuneration commensurate with an individual director's responsibilities and demands on time and which are considered sufficient to attract qualified competent individuals, however, such fixed remuneration for a Non-Executive Director, other than the Chairman of the Board, shall not exceed ₹ 20,00,000 (Rupees Twenty Lakh Only) per annum each.

In pursuance thereof, the Members of the Bank vide the resolution passed at the 27th Annual General Meeting held on July 17, 2021, approved the payment of compensation to Non-Executive Directors ("NEDs") of the Bank including independent directors other than the Part Time Independent Chairman, in the form of fixed remuneration of ₹ 20,00,000 (Rupees Twenty Lakh Only) per annum, per NED, being commensurate with the individual director's responsibilities and demands on time, with effect from the FY 2021-22, or any other or different limits as may be applicable under law / relevant RBI guidelines, from time to time, and subject to and in accordance with the decisions in this regard and/or the applicable / relevant policy, if any, of the Board or the relevant Committee thereof, in addition to payment of sitting fees and reimbursement of expenses for attending the Board and Committee meetings.

Further, RBI vide its Circular on Review of Fixed Remuneration granted to Non-Executive Directors dated February 9, 2024, has revised the aforementioned ceiling under the RBI Circular to ₹ 30,00,000 (Rupees Thirty Lakh Only) per annum.

In recent years, the Board/Committee meetings are being held very frequently and the Non-Executive Directors of the Bank devote considerable amount of time & efforts to ensure meaningful deliberations at the Board/ Committee meetings of the Bank. The NEDs have largely contributed to the Bank's growth over the years. The first ever mega merger in Indian banking industry announced during F.Y. 2022-23, has demanded extra time and efforts on the part of the Board of Directors. With the completion of the merger during F.Y. 2023-24, the focus has shifted on capturing the full benefits of the synergies and future proofing the Bank for the coming decades.

Further, pursuant to the abovementioned RBI circulars and considering the efforts devoted by the NEDs to the Bank, their individual skill sets and qualifications, time commitment and effective participation in the Board and Committee meetings, size of the Bank and scale of operations, the Board of Directors based on the recommendation of Nomination and Remuneration Committee have approved and recommended the revision of payment of compensation of fixed remuneration to ₹ 30,00,000 (Rupees Thirty Lakh Only) per annum per NED (other than the Part Time Independent Chairman) with effect from February 16, 2024 (being commensurate with the individual director's responsibilities and demands on time) (however in case of any change in the limits in this regard under applicable law / relevant RBI guidelines or any other remuneration or compensation including in different form being allowed under applicable law / relevant RBI guidelines, then payment of the fixed remuneration and/or such compensation per such NED at the highest of the then applicable limits in this regard under such applicable law/RBI guidelines, from time to time) and subject to and in accordance with the decisions in this regard and/or the applicable / relevant policy, if any, of the Board or the relevant Committee thereof, from time to time, in addition to payment of sitting fees and reimbursement of expenses for attending the Board and Committee meetings, and has also effected amendments to the relevant policy in this regard.

As per regulation 17(6)(a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations), The board of directors shall recommend all fees or compensation, if any, paid to non-executive directors, including independent directors and shall require approval of shareholders.

Accordingly, subject to the aforesaid, and pursuant to and subject to the applicable provisions of the Banking Regulation Act, 1949 and other laws including the RBI Circular and RBI's Circular on Review of Fixed Remuneration granted to Non-Executive Directors dated February 9, 2024, and any other relevant RBI guidelines, each of the aforesaid as may be amended, restated, replaced or modified, from time to time, and all applicable provisions of the Companies Act, 2013 and the rules thereunder, as may be amended, restated, replaced or modified, from time to time, the approval of the Members of the Bank is being sought in modification of the resolution of the Members of the Bank passed at the 27th Annual General Meeting held on July 17, 2021, for payment in the form of fixed remuneration as follows (being commensurate with the individual director's responsibilities and demands on time), to each of the NEDs of the Bank (other than the Part Time Independent Chairman):

- (i) till February 15, 2024 (date inclusive)- ₹ 20,00,000 (Rupees Twenty Lakh only) per annum (on a proportionate basis) to each of the NEDs, and
- (ii) from February 16, 2024 (date inclusive)- ₹ 30,00,000 (Rupees Thirty Lakh only) per annum (on a proportionate basis) to each of the NEDs (however in case of any change in the limits in this regard under applicable law / relevant RBI guidelines or any other remuneration or compensation including in different form being allowed under applicable law / relevant RBI guidelines, then payment of the fixed remuneration and/or such compensation per such NED at the highest of the then applicable limits in this regard under such applicable law/RBI guidelines, from time to time);

and subject to and in accordance with the decisions in this regard and/or the applicable / relevant policy, if any, of the Board or the relevant Committee thereof, in addition to payment of sitting fees and reimbursement of expenses for attending the Board and Committee meetings.

Your Directors recommend the passing of the ordinary resolution set out in Item No. 1 of the Notice.

NEDs of the Bank and their relatives are interested in the above resolution. None of the Executive Directors, Part Time Independent Chairman, Key Managerial Personnel of the Bank or their relatives are interested in passing of the resolution.

Item No.2

The Board of Directors of the Bank, based on the recommendation of the Nomination and Remuneration Committee, and pursuant to applicable provisions of the Companies Act, 2013 (the “**Act**”) read with the Articles of Association of the Bank, had approved the appointment of Dr. (Mr.) Harsh Kumar Bhanwala as an Additional Independent Director of the Bank for a period of three (3) years from January 25, 2024 to January 24, 2027. In the opinion of the Board of Directors, Dr. (Mr.) Harsh Kumar Bhanwala is independent of the management of the Bank and fulfils the conditions specified in the Act, the rules made thereunder, and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “**SEBI Listing Regulations**”), for appointment as an Independent Director.

The Bank has received a declaration from Dr. (Mr.) Harsh Kumar Bhanwala to the effect that he fulfils all criteria for independence stipulated under Section 149(6) of the Act and Regulation 16 of the SEBI Listing Regulations and meets the Fit and Proper criteria prescribed by the Reserve Bank of India (“**RBI**”) and other applicable guidelines / circulars issued from time to time.

Dr. (Mr.) Harsh Kumar Bhanwala is qualified to be appointed as a Director in terms of Section 164 of the Act and has furnished to the Bank his consent to act as an Independent Director and affirmed that he is not de-barred from holding office of Director by virtue of any order of the Securities and Exchange Board of India or any other such authority.

The Bank has also received a notice under Section 160 of the Act from a member proposing the candidature of his appointment as an Independent Director of the Bank.

Brief profile of Dr. (Mr.) Harsh Kumar Bhanwala in terms of the SEBI Listing Regulations and the Secretarial Standard on the General Meetings (“SS-2”) has been provided in this Explanatory Statement as under:

Age	62 years
Qualifications	<ul style="list-style-type: none"> • B. Sc.(Dairy technology) from National Dairy Research Institute (NDRI), Karnal • Post-Graduation from Indian Institute of Management, Ahmedabad • Doctorate in Philosophy from Institute of Management Studies and Research, Maharshi, Dayanand University, Rohtak
Experience / Brief Profile	<p>Dr. (Mr.) Harsh Kumar Bhanwala, is the former Executive Chairman of Capital India Finance Limited, an NBFC. Prior to that, from 2013 to 2020, he served as the Chairman of the National Bank for Agriculture and Rural Development (NABARD), the Government of India's apex development bank, which oversees all aspects of agricultural credit as well as the supervision of regional rural banks and cooperative banks. He began his career at NABARD and worked there for almost three decades.</p> <p>Prior to leading NABARD, he served as the Chairman & Managing Director of the India Infrastructure Finance Company (IIFCL), Senior Vice President at IL&FS Water, and the Managing Director of the Delhi State Cooperative Bank.</p>
Date of first appointment on the Board	Appointed with effect from January 25, 2024 to January 24, 2027, subject to approval of the Members of the Bank.
Number of Meetings of the Board attended during the year (FY 2023-24)	One (1) as of the date of this Notice
Directorships, Trusteeships, Partnerships, etc. held in other companies, firms, trusts, entities, etc.	<p><u>Listed Companies</u></p> <ul style="list-style-type: none"> • Multi Commodity Exchange of India Limited <p><u>Partnerships Firms/ LLP/HUF/Sole Proprietorship/Association of Individuals (Trust, Society), etc.</u></p> <ul style="list-style-type: none"> • Farmclim Fintech LLP • Microfinance Industry Network • Foundation for MSME (Micro, Small and Medium Enterprise Clusters)
Memberships / chairmanships of committees of the Boards of other companies	<p><u>Multi Commodity Exchange of India Limited</u></p> <ul style="list-style-type: none"> • Audit Committee - Member • Nomination and Remuneration Committee - Member
Listed entities from which the person has resigned from the directorship in the past three years	<ul style="list-style-type: none"> • Capital India Finance Limited (ceased w.e.f. January 24, 2024) • Bayer Cropscience Limited (ceased w.e.f. February 1, 2024)
Number of shares held in the Bank (including shareholding as a beneficial owner)	Dr. (Mr.) Harsh Kumar Bhanwala along with his relatives, holds 137 equity shares in the Bank as on January 31, 2024.

Terms and conditions of the appointment including details of remuneration sought to be paid and the last remuneration drawn	Dr.(Mr.) Harsh Kumar Bhanwala shall be appointed as an Independent Director, not liable to retire by rotation, to hold office for a period of three (3) years, with effect from January 25, 2024 to January 24, 2027 (both days inclusive). In terms of and subject to the RBI's Circular on Corporate Governance in Banks - Appointment of Directors and Constitution of Committees of the Board dated April 26, 2021 and RBI's Circular on Review of Fixed Remuneration granted to Non-Executive Directors ("NEDs") dated February 9, 2024, and any other relevant RBI guidelines in relation to compensation to NEDs, each of the aforesaid as may be amended, restated, replaced or modified, from time to time, and all applicable provisions of the Companies Act, 2013 and the rules thereunder, as may be amended, restated, replaced or modified, from time to time, Dr. (Mr.) Harsh Kumar Bhanwala shall be paid fixed remuneration of ₹ 20,00,000 (Rupees Twenty Lakh only) per annum from the date of his appointment till February 15, 2024 (on proportionate basis), and thereafter fixed remuneration of ₹ 30,00,000 (Rupees Thirty Lakh only) per annum till the end of his tenure (on proportionate basis), being commensurate with the director's responsibilities and demands on time (however in case of any change in the limits in this regard under applicable law / relevant RBI guidelines or any other remuneration or compensation including in different form being allowed under applicable law / relevant RBI guidelines, then payment of the fixed remuneration and/or such compensation at the highest of the then applicable limits in this regard under such applicable law/RBI guidelines, from time to time), and subject to and in accordance with the decisions in this regard and/or the applicable / relevant policy, if any, of the Board or the relevant Committee thereof, in addition to payment of sitting fees and reimbursement of expenses for attending the Board and Committee meetings.
Justification for appointment and skills and capabilities required for the role and the manner in which the proposed person meets such requirements	The Board of Directors of the Bank is of the opinion that Dr. (Mr.) Harsh Kumar Bhanwala is a person of integrity and considering his qualifications, extensive knowledge and rich experience in financial inclusion, microfinance and cooperative credit institutions, appointment of Dr. (Mr.) Harsh Kumar Bhanwala is in the interest of the Bank. His association would be of immense benefit and value to the Bank and, therefore, the Board recommends his appointment as an Independent Director to the Members. In the opinion of the Board of Directors Dr. (Mr.) Harsh Kumar Bhanwala is independent of the management of the Bank and fulfils the conditions specified in the Companies Act, 2013, the rules made thereunder, and SEBI Listing Regulations, for appointment as an Independent Director.
Nature of expertise in specific functional areas	Agriculture and Rural Economy, Co-operation, Business Management and Finance
Relationship with other directors of the Board, or Key Managerial Personnel of the Bank	None

Accordingly, the approval of the Members is sought for the appointment of Dr. (Mr.) Harsh Kumar Bhanwala as an Independent Director, not liable to retire by rotation, to hold office for a period of three (3) years, with effect from January 25, 2024 to January 24, 2027 (both days inclusive).

None of the Bank's Directors, Key Managerial Personnel and their relatives, other than Dr. (Mr.) Harsh Kumar Bhanwala and his relatives are concerned or interested in the passing of this resolution.

Your Directors recommend the passing of the Special resolution set out in Item No. 2 of the Notice.

Item No. 3:

The provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "SEBI Listing Regulations"), as amended from time to time, mandates prior approval of Members by means of an ordinary resolution for all material related party transactions and subsequent material modifications as defined by the Audit Committee even if such transactions are in the ordinary course of the business of the concerned company and at an arm's length basis. A transaction with a related party is considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceed(s) ₹ 1,000 crore, or 10% of the annual consolidated turnover as per the last audited financial statements of the Bank whichever is lower. The annual consolidated turnover of the Bank for the financial year 2022-23 is ₹ 2,04,666 crore.

The Bank holds 94.74% stake in HDB Financial Services Limited ("HDBFSL") as on January 31, 2024. Details of the proposed transactions with HDBFSL, being a subsidiary company and related party of the Bank, for F.Y. 2024-25 which are likely to exceed the above-mentioned materiality threshold, are as follows:

Funded and Non-funded facilities

Funded and non-funded facilities are provided by the Bank as a part of its normal banking business to all customers on the basis of uniform procedures, including to HDBFSL. Type of facility, terms, end-use and tenure of the transaction, in each case, depends on the requirements of HDBFSL as a customer of the Bank in the ordinary course. The facilities are considered for sanction, on such terms and conditions (including rate of interest, security, tenure etc.) as may be permitted under applicable Reserve Bank of India ("RBI") norms and relevant policies of the Bank which are uniformly applicable to all the customers.

The transaction forms part of the normal banking transactions of the Bank. The value of transactions proposed in financial year 2024-25 would be up to ₹ 18,000 crore i.e. approx. 8.79% of annual consolidated turnover of the Bank for the financial year 2022-23. The interest and fee income are consequential transactions flowing out of principal transactions in the form of loan, guarantees,

cash credit etc. Therefore, the quantum of the transaction depends on the value of the principal transactions. The transactions are in furtherance of banking business of the Bank and are undertaken in accordance with laid down norms, policies and procedures (including credit appraisal, sanction and approval process) as followed by the Bank in ordinary course and therefore, is in the interest of the Bank.

Assignment of Loan Securitisation

The Bank periodically undertakes asset backed / mortgage backed securitization / loan assignment transactions with various originators. In this regard, the Bank is proposing to undertake securitization / loan assignment transactions and other transactions as provided in the resolution with HDBFSL. The value of securitization / loan assignment transactions proposed in financial year 2024-25 would be up to ₹ 5,000 crore i.e. approx. 2.44% of annual consolidated turnover of the Bank for the financial year 2022-23. The Bank benefits from the securitization / loan assignment transactions by acquisition of additional retail loan portfolio on its books and for meeting its targets for priority sector lending as stipulated by the RBI and such transactions are therefore, in the interest of the Bank.

Investment in debt securities

The Bank may undertake investment in debt securities issued by HDBFSL, while the Bank is acting as an arranger/ syndicate banker, including proprietary purchases as permitted by applicable laws and regulations and receipt of interest on such securities is consequential to the principal transaction and would be in accordance with the terms of issue uniformly applicable to all investors. The value of transactions proposed in financial year 2024-25 would be up to ₹ 18,000 crore i.e. approx. 8.79% of annual consolidated turnover of the Bank for the financial year 2022-23.

The transactions constitute normal investment activities of the Bank and is in furtherance of the business activities of the Bank and therefore, is in the interest of the Bank.

Payment of sales back-office support, collection and recovery service fees

The Bank avails sales/ back office support services as well as collection services provided by HDBFSL, in accordance with valid agreements. The growth of the Bank (in terms of number of locations, balance sheet size, volume, etc.) has led to increase in services from our vendor partners including HDBFSL for the area of activities outsourced to them. Being the subsidiary of the Bank, the Bank is able to effectively control and monitor the services provided by HDBFSL which also brings in efficiencies. The value of transactions proposed in financial year 2024-25 would be up to ₹ 4,500 crore i.e. approx. 2.20% of annual consolidated turnover of the Bank for the financial year 2022-23. These are support services required in the course of the business of the Bank, and as such are in interest of the Bank.

Forex and Derivative transactions

The Bank being an authorised dealer, deals in foreign exchange and derivatives and these products are offered by the Bank to all customers including HDBFSL. The Bank has a Board approved policy on Customer Suitability & Appropriateness to ensure that derivative transactions entered into are appropriate and suitable to the customer's nature of business / operations which is followed in case of HDBFSL as well. The notional / principal value of transactions proposed in financial year 2024-25 would be up to ₹ 2,000 crore i.e. approx. 0.98% of annual consolidated turnover of the Bank for the financial year 2022-23. This is in furtherance of the business activities of the Bank and therefore, in the interest of the Bank.

Acceptance of Current Account Savings Account (CASA) deposits, levy and receipt of service charges for banking transactions

The Bank is required to accept deposits from public, repayable on demand or otherwise. HDBFSL operates current account deposits with the Bank on the same terms as applicable to all customers. The tenure of the transaction depends on the period opted by HDBFSL and cannot be ascertained by the Bank. Banking charges are levied by the Bank uniformly on all customers in accordance with the Bank's policies and RBI norms. Given that deposits or banking charges arise out of normal banking activities, the value of the transaction depends on HDBFSL and cannot be ascertained by the Bank. Acceptance of deposits and receipt of banking charges are in furtherance of the normal banking business and are in the interest of the Bank.

Other transactions

There are other transactions/ arrangements with HDBFSL *inter alia* in the nature of license fee for usage of corporate logo/ name, professional charges, security deposit, dividend, interest, rent, fees, commission, brokerage, reimbursements, issuance of debt securities, any other income/ expense and other activities undertaken in pursuance of depository participant, cash management services, custodian services, investment banking, etc. in the ordinary course of Bank's business.

The Bank, in its regular course of business, does not incur any specific financial indebtedness in order to undertake any transactions relating to granting of loans / advances / investment by the Bank. The funds would be utilised by HDBFSL towards meeting its business objectives/ regulatorily permissible activities.

All the aforesaid transactions are undertaken pursuant to specific approvals/ registrations/ licenses held by the Bank and are in furtherance of the business activities and are in accordance with the applicable laws, and therefore, are in the interest of the Bank.

In financial year 2024-25, the aforementioned transactions, individually or in the aggregate, are expected to cross the applicable materiality thresholds under Regulation 23 of the SEBI Listing Regulations. Accordingly, as per the SEBI Listing Regulations, prior approval of the Members is being sought for grant of authority to the Board of Directors (hereinafter referred to as the "Board", which term shall be deemed to include any Committee(s) constituted / empowered / to be constituted by the Board from time to time to exercise its powers conferred by this resolution) for all these arrangements / contracts / agreements/ transactions to be undertaken (whether individual transactions or transactions taken together or series of transactions or otherwise) with HDBFSL,

whether by way of continuation(s) or extension(s) or renewal(s) or modification(s) of earlier arrangements / contracts / agreements/ transactions or as fresh and independent transaction (s) or otherwise, in the financial year 2024-25. The above transactions are in the ordinary course of business of the Bank and on an arm's length basis.

The Audit Committee of the Bank has, on the basis of the relevant details provided by the management, as required under the law, reviewed and granted approval for the related party transactions proposed to be entered into by the Bank with HDBFSL in financial year 2024-25 including as stated in the resolution and explanatory statement and has also noted that the said transactions with HDBFSL are on an arm's length basis and in the ordinary course of the Bank's business.

Accordingly, the Board has considered the proposal and recommends passing of the ordinary resolution contained in Item No. 3 of the Notice.

Any subsequent 'material modification' in the proposed transactions, as defined by the Audit Committee as a part of Bank's 'Policy on Related Party Transactions' will be placed before the Members for approval, in terms of Regulation 23(4) of the SEBI Listing Regulations.

None of the Directors, Key Managerial Personnel of the Bank or their relatives, other than to the extent of their Shareholding in HDBFSL and / or the Bank, are concerned / interested in the above resolution.

The Members may 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 resolution under this Item No. 3.

Item No. 4:

The provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "SEBI Listing Regulations"), as amended from time to time, mandates prior approval of Members by means of an ordinary resolution for all material related party transactions and subsequent material modifications as defined by the Audit Committee even if such transactions are in the ordinary course of the business of the concerned company and at an arm's length basis. A transaction with a related party will be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceed(s) ₹ 1,000 crore, or 10% of the annual consolidated turnover as per the last audited financial statements of the Bank whichever is lower. The annual consolidated turnover of the Bank for the financial year 2022-23 is ₹ 2,04,666 crore.

The Bank holds 95.17% stake in HDFC Securities Limited ("HSL") as on January 31, 2024. Details of the proposed transactions with HSL, being a subsidiary company and related party of the Bank, for F.Y. 2024-25 which are likely to exceed the above-mentioned materiality threshold, are as follows:

Funded and Non-funded facilities

Funded and non-funded facilities are provided by the Bank as a part of its normal banking business to all customers on the basis of uniform procedures, including to HSL. Type of facility, terms, end-use and tenure of the transaction, in each case, shall depend on the requirements of the related party as a customer in the ordinary course. The facilities are considered for sanction, on such terms and conditions (including rate of interest, security, tenure etc.) as may be permitted under applicable Reserve Bank of India ("RBI") norms and relevant policies of the Bank which are uniformly applicable to all the customers.

Such transactions form a part of the normal banking transactions of the Bank. The value of transactions proposed in financial year 2024-25 would be up to ₹ 5,000 crore i.e. approx. 2.44% of annual consolidated turnover of the Bank for the financial year 2022-23. The interest and fee income are consequential transactions flowing out of principal transactions in the form of loan, guarantees, cash credit etc. Therefore, the quantum of the transactions depends on the value of the principal transactions. The transactions are in furtherance of banking business of the Bank and are undertaken in accordance with laid down norms, policies and procedures (including credit appraisal, sanction and approval process) as followed by the Bank in ordinary course and therefore, in the interest of the Bank.

Purchase and sale of government securities, Non- SLR securities

Primary Dealership business is one of the RBI permitted activities. The Bank is a registered primary dealer and transacts in SLR securities such as government securities, treasury bill and/or State development loans (SDL) with customers. This is a banking product offered to all customers (related / unrelated) at market determined rates/yields. Investments are done in accordance with investment policy of the Bank. The transactions would be in furtherance of the business activities of the Bank being a RBI registered primary dealer and are thus in the interest of the Bank. The value of transactions proposed in financial year 2024-25 would be up to ₹ 2,000 crore i.e. approx. 0.98% of annual consolidated turnover of the Bank for the financial year 2022-23.

Investment in non-SLR securities by the Bank is permitted and governed by the prudential limits prescribed by RBI and the investment policy of the Bank. Accordingly, the Bank trades in non-SLR investments, including purchases from and sale to HSL. Sale / Purchase of non-SLR securities is permitted under RBI Directions and is in furtherance of the business of the Bank, is therefore, in the interest of the Bank. The value of transactions proposed in financial year 2024-25 would be up to ₹ 1,000 crore i.e. approx. 0.49% of annual consolidated turnover of the Bank for the financial year 2022-23.

Acceptance of Current Account / Savings Account (CASA) deposits, levy and receipt of service charges for banking transactions

The Bank is required to accept deposits from public, repayable on demand or otherwise. HSL operates current account deposits with the Bank on the same terms as applicable to all customers. The tenure of the transaction depends on period opted for by HSL and cannot be ascertained by the Bank. Banking charges are levied by the bank uniformly on all customers in accordance

with Bank's policies and RBI norms. Given that deposits or banking charges arise out of normal banking activities, the value of the transaction depends on HSL and cannot be ascertained by the Bank. Acceptance of deposits and receipt of banking charges are in furtherance of the normal banking business and are in the interest of the Bank.

Other transactions

There are other transactions / arrangements with HSL *inter alia* in the nature of dividend, fees, interest, rent and deposits, commissions, brokerage, reimbursements, issuance of debt securities, licence fee for usage of corporate logo/ name, charges for institutional equity services, any other income / expense or other activities undertaken in pursuance of depository participant, custodian services, investment banking, cash management services, portfolio investment services etc., in the ordinary course of Bank's business.

The Bank, in its regular course of business, does not incur any specific financial indebtedness in order to undertake any transactions relating to granting of loans / advances / investment by the Bank. The funds would be utilised by HSL towards meeting its business objectives / regulatorily permissible activities.

All the aforesaid transactions are undertaken pursuant to specific approvals/ registrations/ licenses held by the Bank and are in furtherance of the business activities and are in accordance with the applicable laws, therefore, are in the interest of the Bank.

In financial year 2024-25, the aforementioned transactions, individually or in the aggregate, are expected to cross the applicable materiality thresholds under Regulation 23 of the SEBI Listing Regulations. Accordingly, as per the SEBI Listing Regulations, prior approval of the Members is being sought for grant of authority to the Board of Directors (hereinafter referred to as the "Board", which term shall be deemed to include any Committee(s) constituted / empowered / to be constituted by the Board from time to time to exercise its powers conferred by this resolution) for all such arrangements / contracts / agreements/ transactions to be undertaken (whether individual transactions or transactions taken together or series of transactions or otherwise) with HSL, whether by way of continuation(s) or extension(s) or renewal(s) or modification(s) of earlier arrangements / contracts / agreements/ transactions or as fresh and independent transaction (s) or otherwise. The above transactions are in the ordinary course of business of the Bank and on an arm's length basis.

The Audit Committee of the Bank has, on the basis of the relevant details provided by the management, as required under the law, reviewed and granted approval for the related party transactions proposed to be entered into by the Bank with HSL in financial year 2024-25 including as stated in the resolution and explanatory statement and has also noted that the said transactions with HSL are on an arm's length basis and in the ordinary course of the Bank's business.

Accordingly, the Board has considered the proposal and recommends passing of the ordinary resolution contained in Item No. 4 of the Notice.

Any subsequent 'material modification' in the proposed transactions, as defined by the Audit Committee as a part of Bank's 'Policy on Related Party Transactions' will be placed before the Members for approval, in terms of Regulation 23(4) of the SEBI Listing Regulations.

None of the Directors, Key Managerial Personnel of the Bank or their relatives, other than to the extent of their Shareholding in HSL and / or the Bank, are concerned / interested in the above resolution.

The Members may 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 resolution under this Item No. 4.

Item No. 5:

The provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "SEBI Listing Regulations"), as amended from time to time, mandates prior approval of Members by means of an ordinary resolution for all material related party transactions and subsequent material modifications as defined by the Audit Committee even if such transactions are in the ordinary course of the business of the concerned company and at an arm's length basis. A transaction with a related party will be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceed(s) ₹ 1,000 crore, or 10% of the annual consolidated turnover as per the last audited financial statements of the Bank whichever is lower. The annual consolidated turnover of the Bank for the financial year 2022-23 is ₹ 2,04,666 crore.

The Bank holds 50.37% stake in HDFC Life Insurance Company Limited ("HDFC Life"), as on January 31, 2024. Details of the proposed transactions with HDFC Life, being a subsidiary company and related party of the Bank, for F.Y. 2024-25 which are likely to exceed the above-mentioned materiality threshold, are as follows:

Receipt of remuneration for distribution of life insurance products

The Bank is a certified composite corporate agent with IRDAI. In accordance with the regulatory limits / stipulations, respective agreements have been entered into with insurance companies including HDFC Life. The Bank receives remuneration for the sale/ renewal of such insurance policies in accordance with IRDAI stipulations. The value of transactions proposed in financial year 2024-25 would be up to ₹ 3,400 crore i.e. approx. 1.66% of annual consolidated turnover of the Bank for the financial year 2022-23. Acting as a corporate agent is an RBI and IRDAI regulated activity and is in the interest of the Bank.

Purchase and sale of government securities, Non- SLR securities

Primary Dealership business is one of the RBI permitted activities. The Bank is a registered primary dealer and transacts in SLR securities such as government securities, treasury bills and/or State development loans (SDL) with customers. This is a banking product offered to all customers (related / unrelated) at market determined rates/yields. Investments are done in accordance with investment policy of the Bank. The transactions are in furtherance of the business activities being a RBI registered primary dealer

and are thus in the interest of the Bank. The value of transactions proposed in financial year 2024-25 would be up to ₹ 25,000 crore i.e. approx. 12.22% of annual consolidated turnover of the Bank for the financial year 2022-23.

Investment in non-SLR securities by the Bank is permitted and governed by the prudential limits prescribed by RBI and the investment policy of the Bank. Accordingly, the Bank trades in non-SLR investments, including purchases from and sale to HDFC Life. Sale / Purchase of non-SLR securities is permitted under RBI Directions and is in furtherance of the business of the Bank, is therefore, in the interest of the Bank. The value of transactions proposed in financial year 2024-25 would be up to ₹ 10,000 crore i.e. approx. 4.89% of annual consolidated turnover of the Bank for the financial year 2022-23.

Receipt of publicity fees

The Bank allows HDFC Life to publicise their brands/products by way of LED TV Branding, posters, standees, glass glazing, etc at the Bank's ATMs, branches etc. under respective agreements. The Bank had also obtained an approval from RBI to undertake these transactions. The value of transactions proposed in financial year 2024-25 would be up to ₹ 1,500 crore i.e. approx. 0.73% of annual consolidated turnover of the Bank for the financial year 2022-23. The transactions enable the Bank to generate additional revenue, and enhance Group visibility as a whole, which in turn is ultimately beneficial for the Bank.

Forex and Derivative transactions

The Bank being an authorised dealer, deals in foreign exchange and derivatives and these products are offered by the Bank to all customers including HDFC Life. The Bank has a Board approved policy on Customer Suitability & Appropriateness to ensure that derivative transactions entered into are appropriate and suitable to the customer's nature of business / operations which is followed in case of HDFC Life as well. The notional / principal value of transactions proposed in financial year 2024-25 would be up to ₹ 900 crore i.e. approx. 0.44% of annual consolidated turnover of the Bank for the financial year 2022-23. This is in furtherance of the business activities of the Bank and therefore, in the interest of the Bank.

Acceptance of Current Account / Savings Account (CASA) deposits, levy and receipt of service charges for banking transactions

The Bank is required to accept deposits from public, repayable on demand or otherwise. HDFC Life operates current account deposits with the Bank on the same terms as applicable to all customers. The tenure of the transaction depends on the period opted for by HDFC Life and cannot be ascertained by the Bank. Banking charges are levied by the bank uniformly on all customers in accordance with Bank's policies and RBI norms. Given that deposits or banking charges arise out of normal banking activities, the value of the transaction depends on HDFC Life and cannot be ascertained by the Bank. Acceptance of deposits and receipt of banking charges are in furtherance of the normal banking business and are in the interest of the Bank.

Issuance of debt securities

The Bank may issue debt securities like non-convertible debentures, for availing funds for business of the Bank, on platforms commonly accessed by investors (including HDFC Life), pursuant to which the securities are allotted to interested investors in accordance with the provisions of the applicable laws and offer letter. Payment of interest on such securities is consequential to the principal transaction and would be in accordance with the terms of issue uniformly applicable to all investors. The value of transactions proposed in financial year 2024-25 cannot be ascertained as it is subject to HDFC Life bidding for the debt securities proposed to be issued by the Bank, whose value in any case would not exceed the limits as previously approved by the Members for issuance of debt securities. This is in furtherance of the business activities of the Bank and therefore, is in the interest of the Bank.

Other transactions

There are other transactions / arrangements with HDFC Life, *inter alia* in the nature of funded and non-funded facilities, dividend, fees, interest, rent and deposits, commissions, brokerage, reimbursements, payment of insurance premium, incentive, contribution for superannuation/ gratuity, licence fee for usage of corporate logo/ name, any other income / expense, professional charges, or other activities undertaken in pursuance of depository participant, custodian services, investment banking, cash management services etc., in the ordinary course of Bank's business.

The Bank, in its regular course of business, does not incur any specific financial indebtedness in order to undertake any transactions relating to granting of loans / advances / investment by the Bank. The funds would be utilised by HDFC Life towards meeting its business objectives/ regulatorily permissible activities.

All the aforesaid transactions are undertaken pursuant to specific approvals/ registrations/ licenses held by the Bank and are in furtherance of the business activities and are in accordance with the applicable laws and therefore, are in the interest of the Bank.

In financial year 2024-25, the aforementioned transactions, individually or in the aggregate, are expected to cross the applicable materiality thresholds under Regulation 23 of the SEBI Listing Regulations. Accordingly, as per the SEBI Listing Regulations, prior approval of the Members is being sought for grant of authority to the Board of Directors (hereinafter referred to as the "Board", which term shall be deemed to include any Committee(s) constituted / empowered / to be constituted by the Board from time to time to exercise its powers conferred by this resolution), for all such arrangements / contracts / agreements / transactions to be undertaken (whether individual transactions or transactions taken together or series of transactions or otherwise) with HDFC Life, whether by way of continuation(s) or extension(s) or renewal(s) or modification(s) of earlier arrangements / contracts / agreements transactions or as fresh and independent transaction (s) or otherwise, in the financial year 2024-25. The above transactions are in the ordinary course of business of the Bank and on an arm's length basis.

The Audit Committee of the Bank has, on the basis of the relevant details provided by the management, as required under the law, reviewed and granted approval for the related party transactions proposed to be entered into by the Bank with HDFC Life for financial year 2024-25 including as stated in the resolution and explanatory statement and has also noted that the said transactions with HDFC Life are on arm's length basis and in the ordinary course of the Bank's business.

Accordingly, the Board has considered the proposal and recommends passing of the ordinary resolution contained in Item No. 5 of the Notice.

Any subsequent 'material modification' in the proposed transactions, as defined by the Audit Committee as a part of Bank's 'Policy on Related Party Transactions' will be placed before the Members for approval, in terms of Regulation 23(4) of the SEBI Listing Regulations

Mr. Keki M. Mistry and Mr. Kaizad Bharucha, being Directors on the Board of the Bank as well as on the Board of HDFC Life, and their relatives are interested in the above resolution. None of the other Directors, Key Managerial Personnel of the Bank or their relatives, other than to the extent of their Shareholding in HDFC Life and / or the Bank, are concerned / interested in the above resolution.

The Members 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 resolution under this Item No. 5.

Item No. 6:

The provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "SEBI Listing Regulations"), as amended from time to time, mandates prior approval of Members by means of an ordinary resolution for all material related party transactions and subsequent material modifications as defined by the Audit Committee even if such transactions are in the ordinary course of the business of the concerned company and at an arm's length basis. A transaction with a related party shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceed(s) ₹ 1,000 crore, or 10% of the annual consolidated turnover as per the last audited financial statements of the Bank whichever is lower. The annual consolidated turnover of the Bank for the financial year 2022-23 is ₹ 2,04,666 crore.

The Bank holds 50.49% stake in HDFC ERGO General Insurance Company Limited ("HDFC ERGO"), as on January 31, 2024. Details of the proposed transactions with HDFC ERGO, being a subsidiary company and related party of the Bank, for F.Y. 2024-25 which are likely to exceed the above-mentioned materiality threshold, are as follows:

Purchase and sale of government securities, Non-SLR securities

Primary Dealership business is one of the RBI permitted activities for the Bank. The Bank is a registered primary dealer and transacts in SLR securities such as government securities, treasury bill and/or State development loans ("SDL") with customers. This is a banking product offered to all customers (related/unrelated) at market determined rates/ yields. Investments are done in accordance with investment policy of the Bank. The transactions are in furtherance of the business activities of the Bank being an RBI registered primary dealer and are thus in the interest of the Bank. The value of transactions proposed in financial year 2024-25 would be up to ₹ 3,000 crore i.e. approx. 1.47% of annual consolidated turnover of the Bank for the financial year 2022-23.

Investment in non-SLR securities by the Bank is permitted and governed by the prudential limits prescribed by RBI and the investment policy of the Bank. Accordingly, the Bank trades in non-SLR investments, including purchases from and sale to HDFC ERGO. Sale / Purchase of non-SLR securities is permitted under RBI Directions and is in furtherance of the business of the Bank, is therefore, in the interest of the Bank. The value of transactions proposed in financial year 2024-25 would be up to ₹ 2,500 crore i.e. approx. 1.22% of annual consolidated turnover of the Bank for the financial year 2022-23.

Forex and Derivative transactions

The Bank being an authorised dealer, deals in foreign exchange and derivatives and these products are offered by the Bank to all customers including HDFC ERGO. The Bank has a Board approved policy on Customer Suitability & Appropriateness to ensure that derivative transactions entered into are appropriate and suitable to the customer's nature of business / operations which is followed in case of HDFC ERGO as well. The notional / principal value of transactions proposed in financial year 2024-25 would be up to ₹ 900 crore i.e. approx. 0.44% of annual consolidated turnover of the Bank for the financial year 2022-23. This is in furtherance of the business activities of the Bank and therefore, in the interest of the Bank.

Acceptance of Current Account / Savings Account (CASA) deposits, levy and receipt of service charges for banking transactions

The Bank is required to accept deposits from public, repayable on demand or otherwise. HDFC ERGO operates current account deposits with the Bank, on the same terms as applicable to all customers. The tenure of the transaction depends on period opted for by HDFC ERGO and cannot be ascertained by the Bank. Banking charges are levied by the Bank uniformly on all customers in accordance with Bank's policies and RBI norms. Given that deposits or banking charges arise out of normal banking activities, the value of the transaction depends on HDFC ERGO and cannot be ascertained by the Bank. Acceptance of deposits and receipt of banking charges are in furtherance of the normal banking business and are thus in the interest of the Bank.

Issuance of debt securities

The Bank may issue debt securities like non-convertible debentures, for availing funds for business of the Bank, on platforms commonly accessed by investors (including HDFC ERGO), pursuant to which the securities are allotted to interested investors in accordance with the provisions of the applicable laws and offer letter. Payment of interest on such securities is consequential to the principal transaction and would be in accordance with the terms of issue uniformly applicable to all investors. The value of transactions proposed in financial year 2024-25 cannot be ascertained as it is subject to HDFC ERGO bidding for the debt securities proposed to be issued by the Bank, whose value in any case would not exceed the limits as previously approved by the Members for issuance of debt securities. This is in furtherance of the business activities of the Bank and therefore, is in the interest of the Bank.

Other transactions

There are other transactions / arrangements with HDFC ERGO *inter alia* in the nature of funded & non-funded facilities, dividend, fees, interest, rent and deposits, commissions, brokerage, reimbursements, incentive, payment of insurance premium for issuance of policies and receipt of claim, if any, arising therefrom, contribution for superannuation/ gratuity, licence fee for usage of corporate logo/ name, any other income / expense, professional charges, or other activities undertaken in pursuance of depository participant, custodian services, investment banking, cash management services etc., in the ordinary course of Bank's business.

The Bank, in its regular course of business, does not incur any specific financial indebtedness in order to undertake any transactions relating to granting of loans / advances / investment by the Bank. The funds would be utilised by HDFC ERGO towards meeting its business objectives/ regulatorily permissible activities.

All the aforesaid transactions are undertaken pursuant to specific approvals / registrations / licenses held by the Bank and are in furtherance of the business activities and are in accordance with the applicable laws, therefore, are in interest of the Bank.

In the financial year 2024-25, the aforementioned transactions, individually or in the aggregate, are expected to cross the applicable materiality thresholds under Regulation 23 of the SEBI Listing Regulations. Accordingly, as per the SEBI Listing Regulations, prior approval of the Members is sought for grant of authority to the Board of Directors (hereinafter referred to as the "Board", which term shall be deemed to include any Committee(s) constituted / empowered / to be constituted by the Board from time to time to exercise its powers conferred by this resolution) for all these arrangements / transactions to be undertaken (whether individual transactions or transactions taken together or series of transactions or otherwise) with HDFC ERGO, 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 2024-25. The above transactions are in the ordinary course of business of the Bank and on an arm's length basis.

The Audit Committee of the Bank has, on the basis of the relevant details provided by the management, as required under the law, reviewed and granted approval for the related party transactions proposed to be entered into by the Bank with HDFC ERGO for financial year 2024-25 including as stated in the resolution and explanatory statement and has also noted that the said transactions with HDFC ERGO are on arm's length basis and in the ordinary course of the Bank's business. The management has provided the Audit Committee with the description of the transactions.

Accordingly, the Board has considered the proposal and recommends passing of the ordinary resolution contained in Item No. 6 of the Notice.

Any subsequent 'material modification' in the proposed transactions, as defined by the Audit Committee as a part of Bank's 'Policy on Related Party Transactions' will be placed before the Members for approval, in terms of Regulation 23(4) of the SEBI Listing Regulations.

Mr. Keki Mistry and Mrs. Renu Sud Karnad, being the Directors on the Board of the Bank as well as on the Board of HDFC ERGO, and their relatives are interested in the above resolution. None of the other Directors, Key Managerial Personnel of the Bank or their respective relatives, other than to the extent of their Shareholding in HDFC ERGO and / or the Bank, are concerned / interested in the above resolution.

The Members 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. 6.

Item No. 7:

The provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "SEBI Listing Regulations"), as amended from time to time, mandates prior approval of Members by means of an ordinary resolution for all material related party transactions and subsequent material modifications as defined by the Audit Committee even if such transactions are in the ordinary course of the business of the concerned company and at an arm's length basis. A transaction with a related party shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceed(s) ₹ 1,000 crore, or 10% of the annual consolidated turnover as per the last audited financial statements of the Bank whichever is lower. The annual consolidated turnover of the Bank for the financial year 2022-23 is ₹ 2,04,666 crore.

Pursuant to the amalgamation of erstwhile Housing Development Finance Corporation Limited with and into the Bank, HDFC Credila Financial Services Limited (Credila) is a wholly-owned subsidiary of the Bank with effect from July 01, 2023. As per Regulation 23(5) of SEBI Listing Regulations, prior approval of shareholders is not required for material related party transactions entered into between a holding company and its wholly owned subsidiary. However, the Bank had made certain requests to the Reserve Bank of India ("RBI") in relation to the amalgamation and RBI had advised that the shareholding of the Bank in HDFC Credila shall be brought down to 10%. Further, certain employee stock options granted by Credila have vested and may eventually be exercised by the holders thereof. In view of all of the above, since HDFC Credila may cease to be a wholly owned subsidiary of the Bank during the financial year, the approval of the Members is being sought for the material related party transactions with HDFC Credila for F.Y. 2024-25.

Details of the proposed transactions with HDFC Credila which are likely to exceed the above-mentioned materiality threshold, are as follows:

Forex and Derivative transactions

The Bank being an authorised dealer, deals in foreign exchange and derivatives and these products are offered by the Bank to all customers including HDFC Credila. The Bank has a Board approved policy on Customer Suitability & Appropriateness to ensure

that derivative transactions entered into are appropriate and suitable to the customer's nature of business / operations which is followed in case of HDFC Credila as well.

This is in furtherance of the business activities of the Bank and therefore, in the interest of the Bank. The notional / principal value of transactions proposed in financial year 2024-25 would be up to ₹ 2000 crore i.e. approx. 0.98% of annual consolidated turnover of the Bank for the financial year 2022-23.

Funded and Non-funded facilities

Funded and non-funded facilities are provided by the Bank as a part of its normal banking business to all customers on the basis of uniform procedures, including to HDFC Credila. Type of facility, terms, end-use and tenure of the transaction, in each case, depends on the requirements of HDFC Credila as a customer of the Bank in the ordinary course. The facilities are considered for sanction, on such terms and conditions (including rate of interest, security, tenure etc.) as may be permitted under applicable Reserve Bank of India ("RBI") norms and relevant policies of the Bank which are uniformly applicable to all the customers. The value of transactions proposed in financial year 2024-25 would be up to ₹ 10,000 crore i.e. approx. 4.89% of annual consolidated turnover of the Bank for the financial year 2022-23

The transaction forms part of the normal banking transactions of the Bank. The interest and fee income are consequential transactions flowing out of principal transactions in the form of loan, guarantees, cash credit etc. Therefore, the quantum of the transaction depends on the value of the principal transactions. The transactions are in furtherance of banking business of the Bank and are undertaken in accordance with laid down norms, policies and procedures (including credit appraisal, sanction and approval process) as followed by the Bank in ordinary course and therefore, is in the interest of the Bank.

Assignment of Loan/ Securitisation

The Bank periodically undertakes asset backed / mortgage backed securitization / loan assignment transactions with various originators. In this regard, the Bank is proposing to undertake securitization / loan assignment transactions and other transactions as provided in the resolution with HDFC Credila. Transactions are priced at market driven rates and with reference to recent trends, hence are at arm's length. The value of transactions proposed in financial year 2024-25 would be up to ₹ 2,000 crore i.e. approx. 0.98% of annual consolidated turnover of the Bank for the financial year 2022-23.

The Bank benefits from the securitization / loan assignment transactions by acquisition of additional retail loan portfolio on its books and for meeting its targets for priority sector lending as stipulated by the RBI and such transactions are therefore, in the interest of the Bank.

Investment in non-convertible debentures (NCDs) and Commercial Papers (CPs) - Secured

The Bank may undertake investment in non-convertible debentures (NCDs) issued by HDFC Credila, while the Bank is acting as an arranger/ syndicate banker, as permitted by applicable laws and regulations and receipt of interest on such securities is consequential to the principal transaction and would be in accordance with the terms of issue uniformly applicable to all investors. Further, the Bank would also invest in Commercial Papers (CPs) - Secured issued by HDFC Credila in accordance with the terms of issue uniformly applicable to all investors. The value of transactions proposed in financial year 2024-25 would be up to ₹ 2,000 crore i.e. approx. 0.98% of annual consolidated turnover of the Bank for the financial year 2022-23.

The transactions constitute normal investment activities of the Bank and is in furtherance of the business activities of the Bank and therefore, is in the interest of the Bank.

Acceptance of Current Account / Savings Account (CASA) deposits, levy and receipt of service charges for banking transactions

The Bank is required to accept deposits from public, repayable on demand or otherwise. HDFC Credila operates current account deposits with the Bank, on the same terms as applicable to all customers. The tenure of the transaction depends on period opted for by HDFC Credila and cannot be ascertained by the Bank. Banking charges are levied by the Bank uniformly on all customers in accordance with Bank's policies and RBI norms. Given that deposits or banking charges arise out of normal banking activities, the value of the transaction depends on HDFC Credila and cannot be ascertained by the Bank. Acceptance of deposits and receipt of banking charges are in furtherance of the normal banking business and are thus in the interest of the Bank.

Other transactions

There are other transactions / arrangements with HDFC Credila, *inter alia*, in the nature of sourcing fee for education loans, fees, rent and deposit, licence fee for usage of corporate logo/ name, commissions, brokerage, reimbursements, service & professional charges, issuance of debt securities, any other income / expense or other activities undertaken in pursuance of depository participant, custodian services, investment banking, cash management services etc., in the ordinary course of Bank's business.

The Bank, in its regular course of business, does not incur any specific financial indebtedness in order to undertake any transactions relating to granting of loans / advances / investment by the Bank. The funds would be utilised by HDFC Credila towards meeting its business objectives/ regulatorily permissible activities.

All the aforesaid transactions are undertaken pursuant to specific approvals / registrations / licenses held by the Bank and are in furtherance of the business activities and are in accordance with the applicable laws, therefore, are in the interest of the Bank.

In the financial year 2024-25, the aforementioned transactions, individually or in the aggregate, are expected to cross the applicable materiality thresholds under Regulation 23 of the SEBI Listing Regulations. Accordingly, as per the SEBI Listing Regulations, prior approval of the Members is being sought for grant of authority to the Board of Directors (hereinafter referred to as the "Board", which term shall be deemed to include any Committee(s) constituted / empowered / to be constituted by the Board from time to time to exercise its powers conferred by this resolution) for all these arrangements / contracts / agreements/ transactions to be

undertaken (whether individual transactions or transactions taken together or series of transactions or otherwise) with HDFC Credila, whether by way of continuation(s) or extension(s) or renewal(s) or modification(s) of earlier arrangements /contracts / agreements/ transactions or as fresh and independent transaction (s) or otherwise, in the financial year 2024-25. The above transactions are in the ordinary course of business of the Bank and on an arm's length basis.

The Audit Committee of the Bank has, on the basis of the relevant details provided by the management, as required under the law, reviewed and granted approval for the related party transactions proposed to be entered into by the Bank with HDFC Credila for financial year 2024-25 including as stated in the resolution and explanatory statement and has also noted that the said transactions with HDFC Credila are on arm's length basis and in the ordinary course of the Bank's business.

Accordingly, the Board has considered the proposal and recommends passing of the ordinary resolution contained in Item No. 7 of the Notice.

Any subsequent 'material modification' in the proposed transactions, as defined by the Audit Committee as a part of Bank's 'Policy on Related Party Transactions' will be placed before the Members for approval, in terms of Regulation 23(4) of the SEBI Listing Regulations.

Mr. V. Srinivasa Rangan, being the Director on the Board of the Bank as well as on the Board of HDFC Credila, and his relatives are interested in the above resolution. None of the Directors, Key Managerial Personnel of the Bank or their relatives, other than to the extent of their Shareholding in the Bank, are concerned / interested in the above resolution.

The Members 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 resolution under this Item No. 7.

Item No. 8

The provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "SEBI Listing Regulations"), as amended from time to time, mandates prior approval of Members by means of an ordinary resolution for all material related party transactions and subsequent material modifications as defined by the Audit Committee even if such transactions are in the ordinary course of the business of the concerned company and at an arm's length basis.

Ms. Roshni Nadar Malhotra, who serves as a director of HDFC Asset Management Company Limited ("HDFC AMC"), also holds the position of Chairperson in HCL Technologies Limited ("HCL"). She along with her relatives also holds control in HCL. Hence, HCL Technologies is a related party of HDFC AMC, a subsidiary of the Bank. As per the SEBI Listing Regulations, transaction with a related party/related party of the subsidiary of the Listed entity shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceed(s) ₹ 1,000 crore, or 10% of the annual consolidated turnover as per the last audited financial statements of the Bank whichever is lower. The annual consolidated turnover of the Bank for the financial year 2022-23 is ₹ 2,04,666 crore.

Details of the proposed transactions with HCLs being a related party of HDFC AMC, a subsidiary of the Bank, for F.Y. 2024-25, which are likely to exceed the above-mentioned materiality threshold, are as follows:

Funded and Non-funded facilities

Funded and non-funded facilities are provided by the Bank as a part of its normal banking business to all customers on the basis of uniform procedures, including to HCL. Type of facility, terms, end-use and tenure of the transaction, in each case, depends on the requirements of HCL as a customer of the Bank in the ordinary course. The facilities are considered for sanction, on such terms and conditions (including rate of interest, security, tenure etc.) as may be permitted under applicable Reserve Bank of India ("RBI") norms and relevant policies of the Bank which are uniformly applicable to all the customers.

The transaction forms part of the normal banking transactions of the Bank. The value of transactions proposed in F.Y. 2024-25 would cross ₹ 600 crore i.e. approx. 0.29% of annual consolidated turnover of the Bank for the financial year 2022-23. The interest and fee income are consequential transactions flowing out of principal transactions in the form of loan, guarantees, cash credit etc. Therefore, the quantum of the transaction depends on the value of the principal transactions. The transactions are in furtherance of banking business of the Bank and are undertaken in accordance with laid down norms, policies and procedures (including credit appraisal, sanction and approval process) as followed by the Bank in ordinary course and therefore, is in the interest of the Bank.

Forex and Derivative transactions

The Bank being an authorised dealer, deals in foreign exchange and derivatives and these products are offered by the Bank to all customers including HCL. The Bank has a Board approved policy on Customer Suitability & Appropriateness to ensure that derivative transactions entered into are appropriate and suitable to the customer's nature of business / operations which is followed in case of HCL as well. The notional / principal value of transactions proposed in F.Y. 2024-25 would be up to ₹ 900 crore i.e. approx. 0.44% of annual consolidated turnover of the Bank for the financial year 2022-23. This is in furtherance of the business activities of the Bank and therefore, in the interest of the Bank.

Purchase and sale of Non- SLR securities

Investment in non-SLR securities by the Bank is permitted and governed by the prudential limits prescribed by RBI and the investment policy of the Bank. Accordingly, the Bank trades in non-SLR investments, including purchases from and sale to HCL. Sale / Purchase of non-SLR securities is permitted under RBI Directions and is in furtherance of the business of the Bank, is therefore, in the interest of the Bank. The value of transactions proposed in F.Y. 2024-25 would be up to ₹ 1000 crore i.e. approx. 0.49%, of annual consolidated turnover of the Bank for the financial year 2022-23.

Acceptance of Current Account / Savings Account (CASA) deposits, levy and receipt of service charges for banking Transactions

The Bank is required to accept deposits from public, repayable on demand or otherwise. HCL operates current account deposits with the Bank on the same terms as applicable to all customers. The tenure of the transaction depends on the period opted for by HCL and cannot be ascertained by the Bank. Banking charges are levied by the bank uniformly on all customers in accordance with Bank's policies and RBI norms. Given that deposits or banking charges arise out of normal banking activities, the value of the transaction depends on HCL and cannot be ascertained by the Bank. Acceptance of deposits and receipt of banking charges are in furtherance of the normal banking business and are in the interest of the Bank.

Issuance of debt securities

The Bank may issue debt securities like non-convertible debentures, for availing funds for business of the Bank, on platforms commonly accessed by investors (including HCL), pursuant to which the securities are allotted to interested investors in accordance with the provisions of the applicable laws and offer letter. Payment of interest on such securities is consequential to the principal transaction and would be in accordance with the terms of issue uniformly applicable to all investors. The value of transactions proposed in financial year 2024-25 cannot be ascertained as it is subject to HCL bidding for the debt securities proposed to be issued by the Bank, whose value in any case would not exceed the limits approved by the Members for issuance of debt. This is in furtherance of the business activities of the Bank and therefore, is in the interest of the Bank.

Other transactions

There are other transactions / arrangements with HCL *inter alia* in the nature of dividend, fees, commissions, brokerage, reimbursements, service & professional charges, any other income / expense or other activities undertaken in pursuance of depository participant, custodian services, investment banking, cash management services etc., in the ordinary course of Bank's business.

The Bank, in its regular course of business, does not incur any specific financial indebtedness in order to undertake any transactions relating to granting of loans / advances / investment by the Bank. The funds would be utilised by HCL towards meeting its business objectives / regulatorily permissible activities or any sanctioned purposes.

All the aforesaid transactions are undertaken pursuant to specific approvals/ registrations/ licenses held by the Bank and are in furtherance of the business activities and are in accordance with the applicable laws, therefore, are in the interest of the Bank.

In F.Y. 2024-25, the aforementioned transactions, individually or in the aggregate, are expected to cross the applicable materiality thresholds under Regulation 23 of the SEBI Listing Regulations. Accordingly, as per the SEBI Listing Regulations, prior approval of the Members is being sought for grant of authority to the Board of Directors (hereinafter referred to as the "Board", which term shall be deemed to include any Committee(s) constituted / empowered / to be constituted by the Board from time to time to exercise its powers conferred by this resolution) for all such arrangements / contracts / agreements/ transactions to be undertaken (whether individual transactions or transactions taken together or series of transactions or otherwise) with HCL, whether by way of continuation(s) or extension(s) or renewal(s) or modification(s) of earlier arrangements / contracts / agreements/ transactions or as fresh and independent transaction (s) or otherwise. The above transactions are in the ordinary course of business of the Bank and on an arm's length basis.

The Audit Committee of the Bank has, on the basis of the relevant details provided by the management, as required under the law, reviewed and granted approval for the related party transactions proposed to be entered into by the Bank with HCL in F.Y. 2024-25 including as stated in the resolution and explanatory statement and has also noted that the said transactions with HCL are on an arm's length basis and in the ordinary course of the Bank's business.

Accordingly, the Board has considered the proposal and recommends passing of the ordinary resolution contained in Item No. 8 of the Notice.

Any subsequent 'material modification' in the proposed transactions, as defined by the Audit Committee as a part of Bank's 'Policy on Related Party Transactions' will be placed before the Members for approval, in terms of Regulation 23(4) of the SEBI Listing Regulations.

None of the other Directors, Key Managerial Personnel of the Bank or their relatives, except to the extent of their Shareholding in HCL and / or the Bank, are concerned / interested in the above resolution.

The Members may 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 resolution under this Item No. 8.

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By Order of the Board of Directors

Santosh Haldankar
Company Secretary
Membership No. ACS 19201

Place: Mumbai
Date: February 22, 2024