

TRANSCRIPT OF THE FIFTEENTH ANNUAL GENERAL MEETING OF THE MEMBERS OF HDFC CREDILA FINANCIAL SERVICES PRIVATE LIMITED HELD ON WEDNESDAY, JULY 29, 2020 AT 11:00 A.M. VIA VIDEO CONFERENCING WITHOUT THE PHYSICAL PRESENCE OF THE MEMBERS AT A COMMON VENUE, IN COMPLIANCE WITH GENERAL CIRCULAR NO. 14/2020, 17/2020, 20/2020 ISSUED BY THE MINISTRY OF CORPORATE AFFAIRS, DEEMED TO BE HELD AT THE REGISTERED OFFICE OF THE COMPANY

Present:

Mr. V. Srinivasa Rangan	Chairman
Mr. Arunabh Bhattacharya	Representative of HDFC Limited, Member
Mr. Ajay Agarwal	Member
Mr. Suresh Menon	Member
Mr. B. Mahapatra	Independent Director
Mr. Sunil Shah	Independent Director
Mr. Rajesh Gupta	Independent Director
Mr. Arijit Sanyal	Managing Director & CEO
Mr. Subodh Salunke	Vice Chairman & Member
Mr. Manjeet Bijlani	Chief Financial Officer
Mr. Laxmikant Tople	VP - Accounts & Finance
Ms. Nikita Bagari	M/s. BSR & Co. LLP, Statutory Auditors
Ms. Vinita Nair	M/s. Vinod Kothari & Company, Secretarial Auditors
Ms. Akanksha Kandoi	Company Secretary

Mr. V. Srinivasa Rangan, Chairman:

I would like to welcome all shareholders to the 15th Annual General Meeting of HDFC Credila Financial Services Private Limited.

Two Members present in person would form quorum for the meeting

It is 11:00 a.m. now .As the quorum is present, I now call the meeting to order.

We also have Mr. Biswamohan Mahapatra, who is the Chairman of the Audit Committee and NRC, Mr. Rajesh Gupta, Mr. Sunil Shah, Mr. Subodh Salunke, Vice Chairman and Mr. Arijit Sanyal, members of the Board of Directors of the Company.

Others were unable to make it for the meeting due to prior engagements.

Mr. Manjeet Bijlani CFO, Ms. Akanksha Kandoi, Company Secretary, Mr. Ajit Vishwanath ,Partner, BSR & Co. LLP, Statutory Auditors of the Company and Ms. Vinita Nair, partner, Vinod Kothari & Co., Secretarial Auditors of the Company have also joined this meeting through video conference from their respective locations.

I thank all the members for joining this meeting.

Due to the outbreak of the Corona virus pandemic, nation-wide lockdown and social distancing norms, we are holding this meeting through video conference for the first time. This is in compliance with the General Circular Nos. 14/2020, 17/2020, 20/2020 issued by the Ministry of Corporate Affairs on April 08,2020, April 13,2020 and May 05,2020 respectively.

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The Company has received one Board Resolution from HDFC Ltd. appointing an authorised representative under section 113 of the Companies Act, 2013 in respect of 13,17,98,220 equity shares out of total 13,17,98,226 equity shares of the Company representing almost 100% paid up equity capital.

Since there is no physical attendance of the members at a common venue, the requirement of appointing proxies is not applicable. The registers required under the Companies Act 2013 are open for inspection online i.e. Register of Directors & Key Managerial Personnel (KMP) And Their Shareholding and Registers of Contracts & Arrangements in Which Directors Are Interested.

The Company has taken requisite steps to enable the members to participate and vote on the items concerned in the AGM. Members can cast their vote by way of show of hands.

The Notice of the 15th Annual General Meeting and the Explanatory Statement along with the copies of Audited Financial Statements for the year ended 31st March, 2020, together with the Directors' and Auditors' Reports were sent to the Members, Statutory and Secretarial Auditors and all the Directors of the Company through e-mail dated July 6,2020.

Since the notice is already circulated to all members, I take the notice convening the meeting as read.

The Audited Financial Statements of your company for the year ended March 31,2020 along with the Directors' Report, have already been circulated to you. With your permission, we may take them as read. The Audited Financial Statements are available for inspection for any member at the meeting.

The Statutory Auditors report and the Secretarial Audit report for the Financial Year 2019-20 do not contain any qualification, reservation, adverse remark or comments.

May I request the Members to take the Statutory Auditors report and the Secretarial Audit report as read. Thank you.

During the financial year ended on March 31, 2020, the Company earned a profit before tax of ` 169.26 crore as compared to the profit before tax of ` 156.91 crore in the previous year. The Company's loan book has grown by 17% in this financial year and its total income has increased by 20%. While achieving a robust growth, the Company has continued to maintain quality of its portfolio.

Capital Adequacy Ratio

In order to strengthen the balance sheet, further capital infusion of Rs. 200 crores was made on March 30, 2020. Post the infusion, the Company's Capital Adequacy Ratio (CAR) stood at 22.27% as on March 31, 2020, of which Tier I capital was 14.70% and Tier II capital was 7.57%. As per the regulatory norms, the minimum requirement for the CAR and Tier I capital as at March 31, 2020 are 15% and 10% respectively.

The Company had 258 employees as of March 31, 2020.

The COVID-19 pandemic has resulted in almost half of the globe's population being subjected to a lockdown thereby causing widespread disruption to the business environment both globally as well as in India since its outbreak in December 2019 and is expected to impact the Company and its operations as well.

Subsequent to the outbreak of COVID-19 in India, the Company has diligently followed RBI's Circular on COVID-19 - Operational and Business Continuity Measures dated March 16, 2020. However, the Company awaits the opening of embassies and universities across the world for more clarity on the university admissions cycle as well as visibility of visa issuances. It is very difficult at this stage in the absence of reliable information to assess the impact on the US and Abroad Business where approximately 90% of the Company's business is done.

A Government of India directive dated March 22, 2020 directed a lockdown of offices and commercial establishments across the country and continues till date. The Company in response to the aforesaid directive has shut all its offices and the employees are working from home. However, post the issuance of various state guidelines on the relaxation of lockdown in various parts of the countries, the Company has started opening up its offices and operating on a truncated basis which is in strict adherence to the regulatory guidelines on the same.

The RBI, vide circular RBI/2019-20/186 and Statement on Developmental and Regulatory Policies dated March 27, 2020, permitted banks and financial institutions to provide a moratorium for all payments (both principal and interest) due between March 1, 2020 and May 30, 2020. This relief measure was announced for customers who are repaying loans of any kind, to tide over their financial difficulty in servicing the debts. The Company has extended this benefit of deferment of payment to all its customers, except those who voluntarily opted out of this facility.

The Company has spent about Rs 2.62 Cr towards CSR contribution for fulfilling its CSR objective of "Empowerment of Underprivileged children & girl child" & "Education"

I now move the Resolutions for voting by the members.

Mr. V. Srinivasa Rangan:

A. ORDINARY BUSINESS:

"ITEM NO. 1.

To receive, consider and adopt the audited financial statements of the Company for the financial year ended on March 31, 2020 and the Reports of the Board of Directors and Auditors thereon.

Mr. V. Srinivasa Rangan: "I now move the resolution in respect of Item No. 1 of the Notice."

"I request any one of the Members to propose the resolution."

Mr. Arunabh Bhattacharya: "I propose."

Mr. V. Srinivasa Rangan: "I request any one of the Members to second the resolution."

Mr. Subodh Salunke : "I second."

Mr. V. Srinivasa Rangan : "If there any queries with respect to financials, we shall be happy to answer them. Are there any queries? I now put the resolution to vote. Those in favour may please raise their hands."

All members raise their hands

Mr. V. Srinivasa Rangan: "I declare the resolution as passed."

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Mr. V. Srinivasa Rangan:

“ITEM NO. 2

To appoint a director in place of Mr. Srinivasa Rangan (DIN: 00030248), who retires by rotation and being eligible, offers himself for re-appointment.

I, being interested in this item of business, would step down as Chairman for this Agenda. With the permission of the members present, may I propose Mr. B Mahapatra to chair this meeting.”

Mr. Arunabh Bhattacharya: “I second the appointment of Mr. Mahapatra, Independent Director and Chairman of the Audit Committee as the Chairman of the Meeting.”

Mr. Mahapatra: “Thank you Mr. Rangan.”

Mr. V. Srinivasa Rangan (DIN: 00030248), retires by rotation and being eligible, offers himself for re-appointment. If there any queries with respect to this, we shall be happy to answer them. Are there any queries?

I now move the resolution in respect of Item No. 2 of the Notice. relating to Re-appointment of Mr. Srinivasa Rangan as Director who retires by rotation.”

I request any one of the Members to propose the resolution.”

Mr. Subodh Salunke : “I propose.”

Mr. B. Mahapatra : “I request any one of the Members to second the resolution.”

Mr. Arunabh Bhattacharya : “I second.”

Mr. B. Mahapatra : “I now put the resolution to vote. Those in favour may please raise their hands”.

All members raise their hands.

Mr. B. Mahapatra : “I declare the resolution as passed. I now request Mr. Rangan to Chair the Meeting”

Mr. V. Srinivasa Rangan: “Thank you Mr. Mahapatra”

B. SPECIAL BUSINESS:

Mr. V. Srinivasa Rangan:

“ITEM NO. 3

Appointment of Mr. Rajesh Narain Gupta as the Independent Director of the Company

The Board of Directors of the Company had appointed Mr. Rajesh Narain Gupta as an Additional Director of the Company with effect from January 17, 2020. In accordance with the provisions of Section 161 of Companies Act, 2013, Mr. Gupta shall hold office up to the date of the forthcoming Annual General Meeting. The Company has received a notice under Section 160 of the Companies Act, 2013 from a member signifying Mr. Gupta’s candidature as an Independent Director of the Company. A brief profile of Mr. Gupta, including nature of his expertise, is provided in the Notice. The Company has received a Declaration of Independence from Mr. Gupta. In the opinion of the Board, Mr. Rajesh Narain Gupta fulfills the

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conditions specified in the Companies Act, 2013 for appointment as Independent Director of the Company. He has also confirmed that he satisfies the fit and proper criteria as prescribed under RBI regulations. A copy of the draft Letter of Appointment for Independent Directors, setting out terms and conditions of appointment of Independent Directors is available on the website of the Company www.hdfccredila.com. The same is also available for inspection electronically at this AGM

If there any queries with respect to this, we shall be happy to answer them. Are there any queries.?

“I now move the Ordinary resolution in respect of Item No.3 of the Notice relating to Appoint Mr. Rajesh Narain Gupta as the Independent Director of the Company

“I request any one of the Members to propose the resolution.”

Mr. Ajay Agarwal: “I propose.”

Mr. V. Srinivasa Rangan: “I request any one of the Members to second the resolution.”

Mr. Arunabh Bhattacharya: “I second.”

Mr. V. Srinivasa Rangan: “I now put the resolution to vote. Those in favour may please raise their hands”.

All members raise their hands

Mr. V. Srinivasa Rangan : “I declare the resolution as passed.”

Mr. V. Srinivasa Rangan:

“ITEM NO. 4

Re-appointment of Mr. Biswamohan Mahapatra as the Independent Director of the Company

Mr. Biswamohan Mahapatra was appointed as Independent Director by the Shareholders on March 30,2015 for a term of 5(five) consecutive years. The Nomination & Remuneration Committee at its Meeting held on January 17, 2020 after taking into account the performance evaluation of Mr. Mahapatra considering the knowledge, acumen, expertise and experience and the substantial contribution made by him during his tenure, has recommended to the Board that continued association of Mr. Mahapatra as an Independent Director would be in the interest of the Company. Based on the above, the Nomination &

Remuneration Committee and the Board has recommended the re-appointment of Mr. Mahapatra as Independent Director on the Board of the Company, to hold office for the second term of five consecutive years w.e.f from March 30,2020. The Company has received a notice in writing pursuant to Section 160 of the Companies Act, 2013 from a Member proposing the candidature of Mr. Mahapatra for his appointment to the office of Independent Director. A brief profile of Mr. Mahapatra, including the nature of his expertise, is provided in the Notice. A copy of the draft Letter of Appointment for Independent Directors, setting out terms and conditions of appointment of Independent Directors is available on the website of the Company www.hdfccredila.com. The same is also available for inspection electronically at this AGM

If there any queries with respect to this, we shall be happy to answer them. Are there any queries.?

I now move the Special resolution in respect of Item No.4 of the Notice relating to re-appointment of Mr. Biswamohan Mahapatra as the Independent Director of the Company

I request any one of the Members to propose the resolution.”

Mr. Ajay Agarwal : “I propose.”

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Mr. V. Srinivasa Rangan : “I request any one of the Members to second the resolution.”

Mr. Arunabh Bhattacharya : “I second.”

Mr. V. Srinivasa Rangan : “I now put the resolution to vote”. Those in favour may please raise their hands.”

All members raise their hands

Mr. V. Srinivasa Rangan: “I declare the resolution as passed.”

Mr. V. Srinivasa Rangan:

“ITEM NO. 5

Appointment of Mr. Arijit Sanyal as the Director of the Company

The members are informed that Mr. Arijit Sanyal was appointed as an Additional Director by the Board of Directors of the Company, effective January 17, 2020. Further, the Board had, subject to approval of members, appointed him as the Managing Director of the Company, effective January 17, 2020.

The Company has received a notice in writing pursuant to Section 160 of the Companies Act, 2013 from a Member proposing the candidature of Mr. Sanyal for his appointment as the Director of the Company. It is further proposed to appoint Mr. Arijit Sanyal as the Managing Director of the Company for a period of 5 years, effective January 17, 2020 and approve his remuneration.

On the recommendation of the Nomination and Remuneration Committee, Board of Directors of the Company at its Meeting held on January 17, 2020 approved the remuneration payable to Mr. Sanyal as Rs. 8,716,739.52 p.a (deputation cost). The remuneration payable to Mr. Sanyal effective from January 17, 2020 is subject to the approval of the members. The same is within the statutory limits under section 197 and Schedule V of the Companies Act 2013.

If there any queries with respect to this, we shall be happy to answer them. Are there any queries?

I now move the Ordinary resolution in respect of Item No.5 of the Notice relating to appointment of Mr. Arijit Sanyal as the Director of the Company. I request any one of the Member to propose the resolution.”

Mr. Ajay Agarwal: “I propose.”

Mr. V. Srinivasa Rangan : “I request any one of the Members to second the resolution.”

Mr. Arunabh Bhattacharya : “I second.”

Mr. V. Srinivasa Rangan: “I now put the resolution to vote. Those in favour may please raise their hands”.

All members raise their hands

Mr. V. Srinivasa Rangan: “I declare the resolution as passed.”

Mr. V. Srinivasa Rangan:

“ITEM NO. 6

Appointment of Mr. Arijit Sanyal as the Managing Director & CEO of the Company and approval of his remuneration.

If there any queries with respect to this, we shall be happy to answer them. Are there any queries?

I now move the Ordinary resolution in respect of Item No.6 of the Notice relating to appointment of Mr. Arijit Sanyal as the Managing Director & CEO of the Company and approval of his remuneration”

I request any one of the Member to propose the resolution.”

Mr. Arunabh Bhattacharya: “I propose.”

Mr. V. Srinivasa Rangan: “I request any one of the Member to second the resolution.”

Mr. Ajay Agarwal: “I second.”

Mr. V. Srinivasa Rangan: “I now put the resolution to vote. Those in favour may please raise their hands”.

All members raise their hands.

Mr. V. Srinivasa Rangan: “I declare the resolution as passed.”

Mr. V. Srinivasa Rangan:

“ITEM NO. 7

Conversion of the Company from a Private Limited Company to a Public Limited Company and amendment of Memorandum & Articles of Association of the Company

The Company is a private limited company constitutionally but is a deemed public company under the provisions of Companies Act, 2013, being a subsidiary of a public limited company. Therefore, it is proposed to convert the company entirely into a public company.

The conversion of the company to a public limited company also requires the company to replace the clauses of AOA with that applicable to a public limited company. Given this position, it is considered expedient to wholly replace the existing AOA by a new set of AOA, primarily based on Table F set out under the Schedule I of Companies Act, 2013. The Board of Directors at its meeting held on May 11, 2020 has approved the new set of Articles in place of existing AOA of the Company and seeks shareholders' approval for the same. In terms of Section 14 of the Companies Act, 2013, the consent of the members by way of special resolution is required for adoption of new set of Articles of Association of the Company.

The existing Articles of Association (AOA) are in line with the erstwhile Shareholders` Agreement dated Nov 13, 2009 (SHA). With the exit of the promoter directors in December 2019 and redundancy of the said SHA, several articles of the existing Articles of Association of the Company require alteration / deletions.

The conversion of the Company to a public limited company will result in amending the name clause of the Memorandum of the Company since the name of the Company will change from 'HDFC Credila

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Financial Services Private Limited' to 'HDFC Credila Financial Services Limited' In terms of Section 13 of the Companies Act, 2013, the consent of the members by way of special resolution is required for amendment of the name clause in the Memorandum of Association of the Company(MOA) by removing the word “private” from the name of the Company. The Board has approved the amended MOA at its meeting held on May 11, 2020. None of the Directors and their relatives are concerned or interested in the said resolution.

If there any queries with respect to this, we shall be happy to answer them. Are there any queries?

I now move the Special Resolution in respect of Item No.7 of the Notice relating to Conversion of the Company from a Private Limited Company to a Public Limited Company and amendment of Memorandum & Articles of Association of the Company.

I request any one of the Member to propose the resolution.”

Mr. Arunabh Bhattacharya: “I propose.”

Mr. V. Srinivasa Rangan : “I request any one of the Member to second the resolution.”

Mr. Ajay Agarwal : “I second.”

Mr. V. Srinivasa Rangan : “I now put the resolution to vote. Those in favour may please raise their hands.”

All members raise their hands

Mr. V. Srinivasa Rangan : “I declare the resolution as passed.”

Vote of Thanks:

Mr. V. Srinivasa Rangan: “I would like to thank all the Shareholders for attending the 15th Annual General meeting. I now declare the proceedings of the 15th Annual General Meeting of the Company as closed. Thank you everyone.”

The Meeting concluded at 11:30 AM