

Dear Shareholder(s),

**Sub: Dematerialisation of Shares**

**Ref: Proposed composite scheme of amalgamation (“Scheme”) for amalgamation of: (i) HDFC Investments Limited and HDFC Holdings Limited, wholly owned subsidiaries of Housing Development Finance Corporation Limited (“Corporation”), with and into the Corporation; and (ii) the Corporation with and into HDFC Bank Limited (“HDFC Bank”)**

As you are aware, the Board of Directors of the Corporation, on April 4, 2022, approved a Scheme under Sections 230 to 232 of the Companies Act, 2013 (“Companies Act”), the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and other rules and regulations framed thereunder, for the amalgamation of (i) HDFC Investments Limited and HDFC Holdings Limited, wholly owned subsidiaries of the Corporation, with and into the Corporation; and (ii) the Corporation with and into HDFC Bank.

The said Scheme has received no-objection/ approval letters including from stock exchanges, Reserve Bank of India, Securities and Exchange Board of India (SEBI), Competition Commission of India and Pension Fund Regulatory and Development Authority. The resolution approving the Scheme was passed by requisite majority of the equity shareholders at the Hon’ble National Company Law Tribunal convened meeting held on November 25, 2022. The Scheme remains subject to certain statutory and regulatory approvals.

Upon the effectiveness of the Scheme, HDFC Bank shall, in accordance with the Scheme, issue and allot HDFC Bank’s new equity shares (“New Equity Shares”) to the shareholders of the Corporation whose names are recorded in the register of members as a member of the Corporation on the record date which would be notified separately, as per the share exchange ratio i.e. 42 equity shares (credited as fully paid up) of face value of Re. 1 (Rupee One) each of HDFC Bank for every 25 fully paid-up equity shares of face value of Rs. 2 (Rupees Two) of the Corporation.

As per our records, you are a shareholder of the Corporation holding shares in physical form. In this regard, we wish to inform you that, as directed by SEBI, and in accordance with Clause 27.9 of the Scheme, shareholders of the Corporation who hold shares in physical mode, will be issued and allotted the corresponding shares of HDFC Bank only in dematerialised mode. In case the said shares of the Corporation held by you are not dematerialised before the record date, for such physical shares, HDFC Bank shall deal with the issuance of the relevant New Equity Shares in such manner as may be permissible under the applicable law, including by way of issuing the said New Equity Shares in dematerialised form to a demat account held by a trustee nominated by the Board of Directors (“Board”) of HDFC Bank or into an escrow account opened by HDFC Bank or an escrow agent nominated by it, with a depository, as may be determined by the Board of HDFC Bank, where such New Equity Shares shall be held on for the benefit of such shareholders of HDFC Bank. Resultant New Equity Shares held in such trustee account or escrow account, as the case may be, shall be credited into the demat account after the relevant shareholder submits the demat account details along with requisite supporting documents to HDFC Bank. You shall continue to have all the rights of the shareholders of HDFC Bank, including the right to receive dividend, voting rights and other corporate benefits, pending the abovementioned transfer of the said New Equity Shares from the said escrow/trustee account, as the case may be.

In view of the aforesaid, **we request you to kindly get your physical shares dematerialised at the earliest** to avoid the hassle of undertaking necessary formalities post the shares have been allotted by HDFC Bank upon effectiveness of the Scheme into such escrow account or the trustee account, as the case may be.

Additionally, we draw your attention to the benefits of holding shares in dematerialised form as detailed below:

- Convenient mode of holding securities, especially in case you are holding shares of many companies.
- Immediate transfer of securities.
- No stamp duty is payable on transfer of securities in demat mode.
- Elimination of risks such as bad delivery, fake securities etc.
- Reduction in paper work and transaction cost.
- Saving of time – Change in address / bank account particulars etc. recorded with Depository Participant gets registered electronically with all companies in which you hold securities.
- Facilitates direct credit of shares in case of allotment under Initial Public Offer, Rights Issue, Bonus Issue, Stock Split, Mergers etc.
- Eases portfolio management and provides ‘on-line’ access through internet.

In case, if you have any queries or need any assistance in this regard, please contact the Secretarial Department at the Corporate Office of the Corporation or Link Intime India Private Limited, Registrar and Share Transfer Agent of the Corporation.

Assuring our best services at all times.

Yours faithfully,

**For Housing Development Finance Corporation Limited**

**Ajay Agarwal**  
**Company Secretary**