HOUSING DEVELOPMENT FINANCE CORPORATION LIMITED

CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION IN TERMS OF REGULATION 8 OF SEBI (PROHIBITION OF INSIDER TRADING) REGULATIONS, 2015

Approving Body:	Board of Directors vide resolution dated April 29, 2015
Original Issue Date:	April 29, 2015 effective from May 15, 2015
Chief Investor Relations officer:	Mr. Conrad D'Souza, Member of Executive Management
Company Secretary:	Mr. Ajay Agarwal
Last Revision Date:	October 26, 2015
Version No. :	1.1

I. PURPOSE:

The purpose of this Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (the "Code") is to clearly outline procedures and practical guidelines that would be followed by Housing Development Finance Corporation Limited for the consistent, transparent, regular and timely public disclosure and dissemination of Unpublished Price Sensitive information.

The Corporation is committed to factual, timely and accurate disclosure based on applicable legal and regulatory requirements.

II. APPLICABILITY:

This Code shall be applicable and binding on all the employees, officers, directors and those persons authorized to speak on behalf of the Corporation. This Code which has been reviewed and approved by the Board of Directors shall come into effect from May 15, 2015.

III. INFORMATION COVERED BY THIS CODE

A. Unpublished Price Sensitive Information

"Unpublished Price Sensitive Information" means any information, relating to the Corporate or its Securities, directly or indirectly, that is not generally available which upon becoming generally available is likely to materially affect the price of the Securities and shall generally include information relating to the following:

- financial results;
- dividends;
- change in capital structure;
- mergers, de-mergers, acquisitions, delistings, disposals and expansion of business and such other transactions;
- changes in key managerial personnel; and
- material events in accordance with the listing agreement

B. Material Information as stipulated under Clause 36 of the Listing Agreements

Material information means any information relating to the business or affairs of the Corporation that results in, or would reasonably be expected to result in a significant change in the market price or value of the securities of the Corporation or that would reasonably be expected to have a significant influence on any reasonable investor's investment decisions. Material Information includes, without limitation, information regarding:

- Change in general character of business of the Corporation.
- Material disruption of operations due to natural calamity.
- Un-audited or audited [stand alone and consolidated] financial results of the Corporation.
- Proposed issue of bonus/ rights shares or issue of securities on a private placement basis.
- Material investments or divestment by the Corporation in the securities of its subsidiaries.
- Corporate action relating to dividend, split, consolidation of securities.
- Action pursuant to regulatory/ statutory amendments that is material to the operations of the Corporation.
- Material changes in existing JV agreements in respect of subsidiary companies of the Corporation.
- Proposed issue of depository receipts (ADR/ GDR) or FCCB.
- Proposed material acquisitions/ divestments of other companies or entering into new joint venture/ technical services/ collaboration agreements.
- Changes in rating of securities issued by the Corporation.

- Changes in the Board of Directors or Key Managerial Personnel.
- Details of litigation/ dispute/ regulatory action having a material impact on the present or future operations of the Corporation.
- Any material acquisition, merger, de-merger, amalgamation, restructuring, scheme of arrangement, spin off or selling of any material divisions of the Corporation.

This list is not exhaustive, but is intended to provide examples of information that may require public disclosure.

For the purpose of this Code, all the above information including unpublished price sensitive information would be referred to as "Material Information".

IV. CHIEF INVESTOR RELATIONS OFFICER

The Corporation would designate one of its senior officer as the Chief Investor Relations Officer (CIRO) from time to time, who shall jointly and severally along with the Company Secretary be responsible to deal with the dissemination of information and disclosure of any Material Information.

Presently, the Chief Investor Relations Officer of the Corporation is Mr. Conrad D'Souza, Member of Executive Management.

Employees must not respond under any circumstances to inquiries from the stock exchanges, the media or others, unless authorized to do so by the whole-time directors of the Corporation.

V. BASIC PRINCIPLES OF DISCLOSURES

Procedures governing the disclosure of Material Information required to be disclosed shall provide that such disclosure shall be made in accordance with the following principles:

- Information should be disclosed immediately through the stock exchanges and press release.
- No selective disclosure. Previously undisclosed unpublished price sensitive information must not be disclosed to selected individuals. If previously undisclosed information is inadvertently disclosed to an analyst or any other person, such information must then be disclosed to the stock exchanges immediately.
- Under certain circumstances, the Corporation may determine that such disclosure would be unduly detrimental to the Corporation (for example if release of the information would cause prejudice to negotiations in a corporate transaction), in which case, the information shall be kept confidential until the Corporation determines it may be publicly disclosed. Information should be disclosed only once there is credibility to the information and the information has concretized.
- Disclosures should be made in a timely manner.
- Disclosure must be complete in all material respects and should not be misleading.
- Unfavourable Material Information must be disclosed as promptly and completely as favourable information.
- Disclosure must be corrected immediately if the Corporation is subsequently made aware that its earlier disclosure contained a material error or omission at the time it was given.

VI. DISCLOSURE OF MATERIAL INFORMATION

The Corporation shall disclose Material Information concerning its business and affairs to the public immediately, except when otherwise required for the purpose of maintaining the confidentiality of the information. This Code is to enable all persons investing in the securities of the Corporation to have the opportunity for equal and timely access to information that may affect their investment decisions regarding those securities.

This Code further provides that, once there is credibility to the information and once the information has been set out in stone to a level of concretization, the information would be disclosed by the Corporation in a timely manner.

VII. PROCESS OF DISCLOSURES OF MATERIAL INFORMATION

In case any Functional Head becomes aware of some Material Information about the Corporation, the said Functional Head would contact any one of the whole-time directors of the Corporation.

The whole-time director in consultation with the CIRO and/ or the company secretary would then determine whether the information requires disclosure to the stock exchanges or not in accordance with the Listing Agreements. Thereafter, the company secretary and the CIRO with the help of the concerned functional head will prepare the content of the disclosure and determine the timing of the disclosures. Thereafter, the Company Secretary will disclose the said information to the stock exchanges. The CIRO shall ensure that the said information is thereafter properly disseminated to the public as deem necessary.

VIII. DELAY IN DISCLOSING MATERIAL INFORMATION

Under certain circumstances, the Corporation may keep Material Information confidential for a limited period of time because immediate disclosure may compromise certain strategic business opportunities of the Corporation or may not be disclosable due to third-party confidentiality restrictions or uncertainty of events.

The determination of when to not disclose Material Information immediately shall be made by the whole-time directors of the Corporation.

IX. INFORMATION TO BE SHARED ON A NEED TO KNOW BASIS:

The directors/ employees of the Corporation shall not discuss the matters or developments regarding the Corporation which in any way relate to Material Information with any other persons, except that are required to be disclosed in performance of his or her duties or under applicable laws or regulations or in legal proceedings.

To protect Material Information from disclosure, the directors/ employees of the Corporation:

- Should not discuss Material Information in public places where Material Information may be overheard (e.g., elevators, restaurants, airplanes, taxicabs) or participate in, host or link to Internet chat rooms, on-line social networking sites, newsgroup discussions or bulletin boards which discuss matters pertaining to the Corporation's activities or its securities;
- Should not carry, read or discard Material Information in an exposed manner in public places;
- Should not discuss Material Information with any other persons, except as required in performance of his or her duties;
- Shall advise the other persons with whom they are meeting where Material Information may be disclosed, before the meeting, that they must not divulge the Material Information; and
- Should not deal in the securities of the Corporation until the Material Information is publicly disclosed.

X. UNINTENTIONAL/ INADVERTENT DISCLOSURE:

In the event the Corporation makes an unintentional disclosure of Material Information, it shall forthwith take steps to ensure that the same is disclosed to the stock exchanges immediately.

Further, if the Corporation becomes aware that there has been an inadvertent disclosure of Material Information it should immediately contact the CIRO and/ or company secretary, who in consultation with any one of the whole-time directors, shall consider the matter and take appropriate steps.

XI. CONTACTS WITH FINANCIAL ANALYSTS, INVESTORS AND THE MEDIA

The Corporation communicates with its institutional shareholders through meetings with analysts and discussions between fund managers and management. The Corporation also participates at investor conferences from time to time. All interactions with institutional shareholders, fund managers and analysts are based on generally available information that is accessible to the public on a non-discriminatory basis. The presentations made to analysts and fund managers are placed on the Corporation's website. The official news releases are also displayed on the said website.

The main channel of communication to the shareholders is through the annual report. Details relating to quarterly performance and financial results are disseminated to the shareholders through press releases and uploaded on the Corporation's website.

Briefings are given to update the market after each quarterly results are announced through group meetings or teleconference. Meetings with investors (bilateral and general) are being held to ensure that the investment community receives a balanced and complete view of the Corporation's and its subsidiaries' performance, while always observing applicable rules concerning selective disclosure, equal treatment of shareholders and insider trading. Individual meetings will also be held with the institutional shareholders, fund managers and analysts to share generally available information.

XII. MARKET RUMOURS

The Corporation shall not comment, affirmatively or negatively, on market rumours. Should a stock exchange request that the Corporation make a definitive statement in response to a market rumour that is causing significant volatility in the securities of the Corporation, the CIRO and/ or the company secretary in consultation with whole-time directors shall consider the matter and content of the Corporation's response, such as confirming "no corporate development at this time".

XIII. REVIEW OF ANALYST REPORTS

The Corporation may at the request of the Analysts review their research reports for the limited purpose of pointing errors based on previously disclosed information.

XIV. MAINTENANCE OF DISCLOSURE RECORDS

The Corporation shall maintain and store records in respect of disclosures made by it through any means under the relevant provisions of the Companies Act, 2013, Rules made thereunder, SEBI Act, 1992, Rules, Regulations and Guidelines issued there under and the Listing Agreements, for audit and future reference.

XV. HDFC SHARE DEALING CODE

No Employee including his/her Immediate Relatives shall either on his/ her own behalf or on behalf of any other person, trade or undertake to trade or cause to trade in the Securities of the Corporation (i) when he/ she is in possession of any Unpublished Price Sensitive Information and (ii) during the Restricted Trading Period.

XVI. AMENDMENTS AND MODIFICATION

This Code shall be reviewed from time to time and any amendments or modifications thereto shall be subject to the review and approval of the Board of Directors of the Corporation.

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