HOUSING DEVELOPMENT FINANCE CORPORATION LIMITED
www.hdfc.com

**By Hand Delivery/ Email**

Ref. No.: SE/2015-16/45

October 1, 2015

BSE Limited
P J Towers
Dalal Street
Mumbai 400 023

National Stock Exchange of India Limited
Exchange Plaza, 5th Floor, Plot No. C/1
G Block, Bandra-Kurla Complex
Bandra (East), Mumbai 400 051

**Kind Attn: DCS - CRD**

**Kind Attn: Head - Listing**

Dear Sirs,

**Sub: Issue of warrants ("Warrants") each exchangeable for one equity share of face value of Rs. 2 each ("Equity Shares") of Housing Development Finance Corporation Limited ("Corporation") simultaneously with the issue of secured redeemable non-convertible debentures of face value of Rs. 1,00,00,000 each ("NCDs") due in March 2017 to eligible qualified institutional buyers ("Eligible QIBs") by way of a qualified institutions placement in accordance with Chapter VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("SEBI Regulations"), and Sections 42 and 71 of the Companies Act, 2013 and the rules made thereunder ("Issue").**

This is further to our letter dated September 30, 2015 on the captioned subject.

In the above connection, we wish to inform you that pursuant to the receipt of applications from Eligible QIBs in accordance with the terms of the Issue, the committee of the board of directors of the Corporation ("**Committee of Directors**") has at its meeting held today, in consultation with the Global Co-ordinators and Book Running Lead Managers (BRLMs), decided the closing date for receipt of bids from Eligible QIBs for the Issue, as being October 1, 2015. Further, the Committee of Directors has also passed a resolution for the allocation of the Warrants and the NCDs to Eligible QIBs on the following terms:

- 3,65,00,000 Warrants at an issue price of Rs. 14 per Warrant ("**Warrant Issue Price**"), with a right exercisable by the Warrant holder to exchange each Warrant for one Equity Share of the Corporation, any time before the expiry of a period of 36 months from the date of its allotment, at an exercise price of Rs. 1,475 per Equity Share ("**Warrant Exercise Price**") as against the SEBI floor price of Rs. 1189.66 per share. The Warrant Issue Price of Rs. 14 per Warrant will neither be adjusted against the Warrant Exercise Price nor will be refundable by the Corporation; and

- 5,000, NCDs of face value of Rs. 1,00,00,000 each due in March 2017, for cash at par aggregating to Rs. 5,000 crore carrying a coupon rate of 1.43%, payable annually.

– For each NCD, 7300 warrants have been allocated.

Further, the Committee of Directors has approved the placement document dated October 1, 2015 in relation to the Issue.

The maximum dilution that could take place in future, assuming that all the Warrants are converted into Equity Shares of the Corporation at the Warrant Exercise Price, would be up to 2.20% of the expanded equity share capital of the Corporation.

The NCDs and Warrants have been allocated to only to domestic QIBs. The Warrants and the NCDs will be listed on the BSE Limited and National Stock Exchange of India Limited.

The Global Co-ordinators and Book Running Lead Managers (BRLM) for the Warrants and NCDs were Kotak Mahindra Capital Company Limited, Axis Bank Limited, Axis Capital Limited, Citigroup Global Markets India Private Limited, HDFC Bank Limited, ICICI Bank Limited, ICICI Securities Limited, IDFC Securities Limited, IndusInd Bank Limited and JM Financial Institutional Securities Limited.

We request you to take note of the above and arrange to bring the same to the notice of all concerned.

Kindly acknowledge receipt.

Thanking you

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

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