HDFC
HOUSING DEVELOPMENT FINANCE CORPORATION LIMITED
www.hdfc.com

Ref No. SE/2017-18/283

January 3, 2018

BSE Limited
P. J. Towers
Dalal Street
Mumbai 400 001

Kind Attn: **Sr. General Manager**
DCS - Listing Department

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

Kind Attn: **Head – Listing**

Dear Sirs,

Sub: Intimation under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

In accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information in terms of Regulation 8 of SEBI (Prohibition of Insider Trading) Regulations, 2015, we would like to intimate the following:

1. The Profit on Sale of Investments for the quarter ended December 31, 2017 was ₹ 5,270 crore compared to ₹ 3 crore in the corresponding quarter of the previous year. This includes ₹ 5,250 crore from the proceeds of the initial public offer (IPO) of HDFC Standard Life Insurance Company Limited (HDFC Life). The amount is net of estimated expenses, which is still to be fully crystalised.

2. Income from dividend for the quarter ended December 31, 2017 was ₹ 151 crore compared to ₹ 179 crore in the corresponding period of the previous year.

3. The Corporation did not sell any loans during the quarter ended December 31, 2017. Loans sold in the preceding 12 months amounted to ₹ 12,078 crore.

4. The Corporation has over the years, as a prudent measure, ensured that it maintains a balance in the Provision and Contingencies Account which is higher than the regulatory requirement. This has been the practice for nearly two decades. As on September 30, 2017, the Corporation was carrying an amount of ₹ 3,235 crore in the Provisions and Contingencies Account against the regulatory requirement of ₹ 2,500 crore.

   In accordance with past practice and with the objective of further strengthening the Corporation's balance sheet, the Corporation believes that it would be prudent to utilise the one-off pre-tax gains from the proceeds of the IPO of HDFC Life (refer point 1 above) to shore up the Provision and Contingencies Account and thereby build an additional buffer against any unexpected risk in the future.

   Accordingly, the Corporation proposes to make as per past practice, an additional special provision of ₹ 1,575 crore, being 30% of the pre-tax gains on this transaction towards standard assets and other contingencies.

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It may be noted that the special provision is being done voluntarily and not on account of any regulatory requirement. Further, the provision is in respect of standard assets.

Regulatory provision on standard assets and provision for non-performing loans will continue to be made as per current practice in the quarterly financial statements.

The proposed special provision is subject to approval by the Board of Directors.

Kindly note that the above figures are subject to limited review by the statutory auditors of the Corporation.

We request you to bring the above to the notice of all concerned.

Thank you

Yours faithfully,
For **Housing Development Finance Corporation Ltd.**

Ajay Agarwal
Company Secretary

Cc: London Stock Exchange,
10, Paternoster Square, London, EC4M7LS.