HDFC

HOUSING DEVELOPMENT FINANCE CORPORATION LIMITED
www.hdfc.com

Ref. No.: SE/2018-19/422

March 30, 2019

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: Disclosure under SEBI (Prohibition of Insider Trading) Regulations, 2015 (PIT Regulations)

We refer to our intimation dated May 15, 2015, wherein the Corporation had submitted the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information of the Corporation duly approved by the Board of Directors of the Corporation, in accordance with the provisions of Regulation 8(2) of the PIT Regulations.

We wish to inform you that in view of the recent amendments to the PIT Regulations, the Board of Directors of the Corporation has approved the revised Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information of the Corporation, which shall be effective from April 1, 2019. A copy of the same is enclosed for your record.

We further wish to inform you that that the Board of Directors of the Corporation has also approved the revised Share Dealing Code applicable to the directors, employees of the Corporation and other designated employees, in accordance with the amended PIT Regulations.

Thank you.

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

Ajay Agarwal
Company Secretary

Encl. a/a

CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION IN TERMS OF REGULATION 8 OF SEBI (PROHIBITION OF INSIDER TRADING) REGULATIONS, 2015

I. PURPOSE:

The Corporation is committed to making factual, accurate and a timely disclosure based on applicable legal and regulatory requirements, and in furtherance of the same, has formulated this Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (the "**Code**").

The purpose of this Code is to formulate a stated framework and policy for fair disclosure of events and occurrences that could impact price discovery in the market for the Securities of Housing Development Finance Corporation Limited (the "**Corporation**") and clearly outline the procedures and practical guidelines that would be followed by the Corporation for consistent, transparent, regular and timely public disclosure and dissemination of Unpublished Price Sensitive Information or such other information as required under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

This Code is meant to enable all persons investing in the securities of the Corporation to have an equal and timely opportunity to access such information that may affect their investment decisions regarding the securities of the Corporation.

II. APPLICABILITY:

This Code shall be applicable and binding on all the employees, directors and such other persons authorized to speak on behalf of the Corporation. This Code was formulated by the board on April 29, 2015. Pursuant to the notification of SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018, the Code has been amended and reviewed by the Board on March 6, 2019.

This Code shall come into effect from April 1, 2019.

III. DEFINITIONS

Unpublished Price Sensitive Information

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

- Financial results;
- Declaration of dividends (interim and final);
- Changes in capital structure;
- Mergers, de-mergers, acquisitions, delistings, disposals and expansion of business and such other transactions;
- Changes in key managerial personnel; and
- Such other material event/ information as included in the Policy of Determination of Materiality and which satisfies the criteria mentioned above.

Explanation: The term "*financial results*" shall include the quarterly financial results of the Corporation (both standalone and consolidated).

IV. CHIEF INVESTOR RELATIONS OFFICER

The Corporation shall designate one of its senior officers as the Chief Investor Relations Officer ("**CIRO**") who shall along with the company secretary of the Corporation be responsible to deal with the dissemination and disclosure of Unpublished Price Sensitive Information.

V. DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION

The following principles shall be followed at all times in relation to any disclosure of Unpublished Price Sensitive Information at any forum pursuant to the requirements of the Code or applicable laws:

- The Corporation shall ensure that any Unpublished Price Sensitive Information is publicly disclosed in a prompt manner, once it is credible and a definitive decision has been arrived at in order to make such Unpublished Price Sensitive Information generally available.

- The Corporation shall ensure that all Unpublished Price Sensitive Information is uniformly and universally disseminated and selective disclosure is avoided.

- The Corporation shall ensure that any Unpublished Price Sensitive Information that gets disclosed selectively, inadvertently or otherwise, is promptly disseminated to the public through intimation to stock exchanges and/or via a press release to make such Unpublished Price Sensitive Information generally available.

- The Corporation must ensure that disclosures are 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. PROCESS OF DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION TO THE STOCK EXCHANGES

- In case any functional head becomes aware of some Unpublished Price Sensitive Information, the said functional head should promptly intimate any one of the whole-time directors. All Unpublished Price Sensitive Information directly received by any employee should immediately be reported to the head of department or any one of the whole-time directors.

- The whole-time directors in consultation with the CIRO and/or the company secretary would then determine whether the Unpublished Price Sensitive Information requires disclosure to the stock exchanges. Thereafter, the company secretary and the CIRO with the help of the concerned functional head / whole-time directors will prepare the content of the disclosure and determine the timing of the disclosure. The CIRO and/ or the company secretary will then disclose the said Unpublished Price Sensitive Information to the stock exchanges. The CIRO shall ensure that the said Unpublished Price Sensitive Information is subsequently properly disseminated to the public as may be deemed necessary, including by way of placing on the website of the Corporation, as appropriate.

VII. DELAY IN DISCLOSING UNPUBLISHED PRICE SENSITIVE INFORMATION

Under certain circumstances where the Unpublished Price Sensitive Information is not finalised or a definitive decision has not been taken, the Corporation may keep such Unpublished Price Sensitive Information confidential till such time that the Corporation is certain that such Unpublished Price Sensitive Information is concrete and credible and could have an impact on price discovery of its securities in the market.

The whole-time directors shall be responsible for determining when it would not be feasible for the Corporation to make an immediate disclosure of Unpublished Price Sensitive Information.

VIII. UNPUBLISHED PRICE SENSITIVE INFORMATION TO BE SHARED ON A NEED-TO-KNOW BASIS

Employees and directors shall not discuss matters or developments pertaining to the Corporation which in any way relate to, or may constitute, Unpublished Price Sensitive Information with any other persons, excluding such persons to whom any part of the Unpublished Price Sensitive Information may be required to be disclosed in furtherance of legitimate purposes, performance of his or her duties or discharge of legal obligations in accordance with the provisions of the HDFC Share Dealing Code or applicable laws. However, the employees and directors shall ensure that any such Unpublished Price Sensitive Information that is shared with other persons is only done on a need-to-know basis.

Explanation: The term "*need-to-know basis*" shall mean that Unpublished Price Sensitive Information should only be disclosed to/procured by such persons who need to share/need access to the Unpublished Price Sensitive Information in furtherance of legitimate purposes, performance of duties or discharge of legal obligations and whose possession of such Unpublished Price Sensitive Information will not give rise to a conflict of interest or amount to the misuse of such Unpublished Price Sensitive Information.

To prevent leakage of Unpublished Price Sensitive Information, employees and directors shall:

- Not discuss Unpublished Price Sensitive Information in public places where such Unpublished Price Sensitive Information may be overheard (for example, elevators, restaurants, airplanes, taxis, etc.) or participate in, host or link to internet chat rooms, online social networking sites, newsgroup discussions or bulletin boards which discuss matters pertaining to the Corporation's activities or its securities;

- Not carry, read or discard Unpublished Price Sensitive Information in an exposed manner in public places;

- Not discuss Unpublished Price Sensitive Information with any other persons, except as required in furtherance of legitimate purposes, performance of his or her duties or discharge of legal obligations;

- Advise, at the commencement of any meeting where Unpublished Price Sensitive Information is likely to be discussed, the other attendees of such meeting, that they must not divulge the Unpublished Price Sensitive Information; and

- Ensure that the sharing of Unpublished Price Sensitive Information, wherever required, is done by way of the Corporation's email system on a secured file-sharing platform within the Corporation's internal network. The passwords of protected files shall be sent via a separate official email or SMS to safeguard the confidentiality of the information.

- Ensure that subsequent queries/ clarifications shall be responded to by way of official e-mail, meetings, over the phone (including SMS) but shall be addressed only to concerned persons. Communication which entails Unpublished Price Sensitive Information via WhatsApp or other social networking applications shall not be used.

The Corporation shall ensure that all Employees handling Unpublished Price Sensitive Information are cautioned to share such Unpublished Price Sensitive Information with other persons only on a need-to-know basis.

IX. UNINTENTIONAL/INADVERTENT DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION

In the event that the Corporation makes an unintentional or selective disclosure of Unpublished Price Sensitive Information or any disclosure of Unpublished Price Sensitive Information that is not in accordance with the provisions of this Code, it shall forthwith take steps to ensure that such Unpublished Price Sensitive Information is disclosed to the stock exchanges immediately.

Further, if an employee becomes aware that there has been any inadvertent disclosure of Unpublished Price Sensitive Information, he or she should immediately contact the head of department or any whole-time director, who in consultation with the CIRO and/or the company secretary, shall consider the matter and take appropriate steps.

X. POLICY FOR DETERMINATION OF LEGITIMATE PURPOSES

Any Unpublished Price Sensitive Information shall only be shared in furtherance of legitimate purpose(s), performance of duties or discharge of legal obligations. The term "legitimate purposes" shall be construed in accordance with the following principles:

- Sharing of Unpublished Price Sensitive Information in the ordinary course of business by any employee, insider, or by any authorized person with existing or proposed partners, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals or other advisors or consultants.

- Sharing of Unpublished Price Sensitive Information for any other genuine or reasonable purpose as may be determined by the whole-time directors or CIRO or Company Secretary.

- Sharing of Unpublished Price Sensitive Information with a court of law or any governmental authority or a regulatory body on the basis of any order issued by them.

- Sharing of Unpublished Price Sensitive Information for any other purpose as may be prescribed under Regulations formulated by SEBI or the Companies Act, 2013 and Rules thereunder or any other law for the time being in force, as may be amended from time to time.

Any person in receipt of Unpublished Price Sensitive Information pursuant to a "legitimate purpose" shall be considered an insider for purposes of this Code. Once it is determined that an employee/director is sharing Unpublished Price Sensitive Information in furtherance of legitimate purposes, such employee/director shall ensure that he/she complies with all applicable provisions of the HDFC Share Dealing Code pertaining to sharing/disclosure of Unpublished Price Sensitive Information.

XI. INTERACTIONS WITH FINANCIAL ANALYSTS, INVESTORS AND THE MEDIA

- The Corporation communicates with its institutional shareholders through meetings with analysts and discussions between fund managers and the management. The Corporation also participates in 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 website of the Corporation. The official press releases are also displayed on the website of the Corporation.

- The main channel of communication with the shareholders of the Corporation is through the annual report. Details relating to financial results are disseminated to the shareholders through press releases, emails and uploaded on the website of the Corporation.

- Briefings are given to update the market after declaration of quarterly financial results through press, investor meetings or teleconferences. Meetings with investors (bilateral and general) are held to ensure that the investors receive a balanced and complete view of the performance of the Corporation and its subsidiaries, while observing applicable rules concerning selective disclosure, equal treatment of shareholders and insider trading. Meetings are also held with institutional shareholders, fund managers, analysts and research personnel to share generally available information with them. The Corporation shall ensure that no Unpublished Price Sensitive Information is disclosed to such institutional shareholders, fund managers, analysts and research personnel.

- Investor presentations are uploaded on the website of the Corporation.

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

XII. MARKET RUMOURS

The Corporation shall ordinarily not comment, affirmatively or negatively, in relation to market rumours. In the event that a stock exchange directs the Corporation to make a definitive statement in response to a market rumour, the CIRO and/or the company secretary of the Corporation in consultation with the whole-time directors shall clarify the same to the stock exchanges. Additionally, in respect of any major market rumours, the Corporation shall proactively issue appropriate and fair clarifications or responses in relation to such market rumours to the stock exchanges.

XIII. REVIEW OF ANALYST REPORTS

The Corporation may at the request of the analysts review their research reports for the limited purpose of pointing out 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 thereof and SEBI ((Listing Obligations and Disclosure Requirements) Regulations, 2015.

XV. HDFC SHARE DEALING CODE

No employee including his/her immediate relatives shall either on his/her own behalf and/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/or (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.

In the event that any provision of this Code conflicts with any law, rule or regulation that is in force for the time being, the said law, rule or regulation that is in force for the time being shall take precedence over the conflicting provision of the Code. However, such conflict between the provisions of the Code and any law, rule or regulation that is in force for the time being shall in no way affect or impair the validity, legality and enforceability of the remaining provisions of the Code.

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