

Ref/No/HDFCAMC/SE/2018-19/70

Date – March 01, 2019

National Stock Exchange of India Limited Exchange Plaza, Plot C/1, Block G, Bandra Kurla Complex, Bandra (East) Mumbai – 400051	BSE Limited Sir PJ Towers, Dalal Street, Mumbai – 400001
Kind Attn: Head – Listing Department	Kind Attn: Sr. General Manager – DCS Listing Department

Dear Sirs,

Subject – Disclosure Under Regulation 8(2) Under SEBI (Prohibition Of Insider Trading) Regulations, 2015

We wish to inform you that the Board of Directors of the Company at its meeting held on February 26, 2019 has amended Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information ('the Code') to align it with the SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018.

In compliance with Regulation 8(2) of the SEBI (Prohibition of Insider Trading) Regulations, 2015, we are enclosing herewith the amended Code for reference and record. The Code is also available on the website of the Company www.hdfcfund.com.

Thanking You,

Yours Faithfully,

For HDFC Asset Management Company Limited



Sylvia Furtado
Company Secretary

Encl: a/a

HDFC ASSET MANAGEMENT COMPANY 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UNPUBLISHED PRICE SENSITIVE INFORMATION IN TERMS OF REGULATION 8 OF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**

Approved on : April 16, 2018
Modified on : February 26, 2019

1) SCOPE AND PURPOSE:

The Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (the “**Code**”) is formulated in terms of Regulation 8 of the SEBI (Prohibition of Insider Trading) Regulation 2015 (the “**Insider Trading Regulations**”) to ensure timely and adequate disclosure of Unpublished Price Sensitive Information by HDFC Asset Management Company Limited (the “**Company**”).

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 the Company and clearly outline the procedures and practical guidelines that would be followed by the Company for the consistent, transparent, regular and timely public disclosure and dissemination of Unpublished Price Sensitive Information.

2) APPLICABILITY:

This Code shall be applicable and binding on all the employees, officers, Directors and such other persons authorized to speak on behalf of the Company. This Code was formulated by board of directors of HDFC Asset Management Company (“**Board**”) and came into effect from August 6, 2018. Pursuant to the notification of SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018, this Code has been amended and reviewed by the Board on February 26, 2019 and will become effective on April 1, 2019.

3) DEFINITIONS:

- i. **Consultant** shall mean any former employee of the Company (who would have been designated as a Special Employee under the Share Dealing Code formulated by HDFC Asset Management Company Limited for its employees (the “**AMC Share Dealing Code**”) as on his/her last day of employment with the Company) whose services are retained by the Company on a consultancy basis.
- ii. **Insider** means any person who is:
 - a) A Connected Person or a Consultant; or
 - b) In possession of or having access to UPSI; or
 - c) In receipt of UPSI pursuant to a legitimate purpose.
- iii. **Securities** shall have the meaning assigned to it under the Securities Contracts (Regulation) Act, 1956 or any modification thereof except units of a mutual fund.
- iv. **Unpublished Price Sensitive Information (“UPSI”)** means any information, relating to the Company or its Securities, directly or indirectly, that is not generally available to the public and which upon becoming generally available is likely to materially affect the price of the Securities of the Company and shall generally include but not be limited to information relating to the following:
 - a) Financial Results (including quarterly financial results);
 - b) Declaration of dividends (interim and final);
 - c) Change in capital structure;
 - d) Mergers, de-mergers, acquisitions, delistings, disposals and expansion of business and such other transactions; and
 - e) Changes in key managerial personnel

4) DISCLOSURE OF UPSI:

- i. The Company shall make prompt public disclosure of UPSI that would impact price discovery to the stock exchanges where the shares of the Company are listed no sooner than credible and concrete information comes into being in order to make such information generally available to the public.
- ii. The Company will make uniform and universal dissemination of UPSI to avoid selective disclosure. Presentations/transcripts/records of proceedings of the meetings with analysts/other investor relations conferences would be made available on the Company's official website for official confirmation and documentation of disclosures made. The Company shall adopt best practices in this regard.
- iii. The Company shall ensure that the disclosure is complete in all material respects and is not misleading.
- iv. The Company shall disseminate UPSI to the stock exchanges where the shares of the Company are listed for the benefit of the public investing in the shares of the Company.
- v. A senior officer designated by the Company as the Chief Investor Relations Officer ("CIRO") shall deal with the dissemination and disclosure of UPSI. The CIRO shall ensure that the information shared with analysts and research personnel is not UPSI and all interactions shall be limited to publically available information and/or investor presentations that are uploaded on the Company's website.
- vi. The Company shall ensure that any UPSI that gets disclosed selectively, inadvertently or otherwise, is promptly disseminated to the public through intimation to stock exchanges.

5) POLICY FOR DETERMINATION OF LEGITIMATE PURPOSES:

As per the Insider Trading Regulations, UPSI shall only be shared by/procured by such person(s) that are authorized by the Board in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.

The term "*legitimate purpose*" has been defined under Insider Trading Regulations to include sharing of UPSI in the ordinary course of business by an Insider with partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals or other advisors or consultants, provided that such sharing has not been carried out to evade or circumvent the prohibitions of the Insider Trading Regulations.

In consonance with the aforesaid definition, the norms for determining the legitimate purpose for sharing of UPSI shall be as following:

- Insiders can share UPSI in the ordinary course of business with partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals or other advisors or consultants;
- Insiders may share UPSI (including with third parties for initiating any further action on the part of such third parties) provided that they are doing so in furtherance of the performance of their duties or discharge of legal obligations or for the purpose of

complying with the applicable provisions of the SEBI Regulations or any other regulatory or legal compliances;

- Sharing of UPSI with any regulatory body or governmental authority or any quasi judicial body incorporated under any law including stock exchanges on the basis of any order/written communication received from them;
- CIRO may share UPSI, if the CIRO is of the opinion that UPSI needs to be shared for a genuine or reasonable purpose in furtherance of any act or event; and
- Insiders can share UPSI with any other persons/third parties for any purpose not mentioned above subject to authorization by the Board.

Any act by an employee in accordance with best industry practices towards performance of duties and/or for discharge of legal obligations of such employee and/or the Company, in the ordinary course of employment can, on a case to case basis as determined by the heads of departments of the Company, be said to be a "legitimate purpose"; provided however, that in case of any conflict/dispute, the decision of the Board shall be final and binding in relation to whether such act constitutes "legitimate purpose" or not.

The aforesaid sharing of UPSI should not be carried out to evade or circumvent the prohibitions of Insider Trading Regulations and all the other provisions/restrictions as prescribed under the Insider Trading Regulations or any other law for the time being in force in this behalf, as may be amended from time to time, shall be observed at all times while sharing the UPSI.

In addition to the above, any person directly or indirectly having access to UPSI shall be considered an Insider in terms of the AMC Share Dealing Code, and such person shall be required to comply with all the applicable provisions of the AMC Share Dealing Code pertaining to disclosure requirements and responsibilities in relation to maintaining confidentiality of UPSI.

6) QUERIES ON NEWS REPORTS AND MARKET RUMOURS:

- If the Company receives any query or request for verification of reports in the print/electronic media or market rumours from the stock exchanges or any other regulatory authorities, the CIRO shall seek clarifications on such items from the concerned functional head(s)/head of department(s) of the Company. The CIRO shall thereafter make a public announcement with respect to such matter only after a final or definitive decision has been taken in respect of the matter. When there are rumours/news reports and the Company is inquired by regulatory authorities about the same, the Company will provide an appropriate and fair response by accepting/denying/clarifying such rumours/news reports. Under certain circumstances where the UPSI is not finalised or a definitive decision has not been taken, the Company may keep such UPSI confidential till such time that the Company is certain that such UPSI is concrete and credible and could have an impact on price discovery of its Securities in the market. The Company would also be exempt from disclosing any UPSI, the disclosure of which would lead to a breach of any applicable law, or which is a working draft prepared on the basis of projections and assumptions and generated solely for internal use and analysis by the management of the Company.

- While the Company shall endeavour to clarify queries on all UPSI related matters published in the print/electronic media and market rumours, the chairman and/or managing director of the Company may also decide not to comment on any matter which is published without the knowledge/concern of the Company, provided the same is appropriately dealt with by the Company in accordance with this Clause 6.

7) HANDLING OF ALL UPSI ON A NEED-TO-KNOW BASIS:

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

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

8) 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.