

July 14, 2020

BSE Limited
Dept. Of Corporate Services
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai-400 001

National Stock Exchange of India Limited
The Listing Department
Exchange Plaza,
Bandra Kurla Complex,
Mumbai- 400 051

Dear Sir,

Sub: Disclosure pursuant to Reg. 8 (2) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 (“the Regulations”)

In compliance with the Regulations, we enclose herewith the amended “Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information”, adopted by the Bank under Reg. 8 (1) of the Regulations.

The same is also available on the website of the Bank at the link <https://www.hdfcbank.com/personal/about-us/corporate-governance/codes-and-policies>

This is for your information and record.

Thanking you,

Yours faithfully,

For HDFC Bank Limited

Sd/-

Santosh Haldankar
Sr. Vice President (Legal) & Company Secretary

Code of Practices and Procedures for Fair Disclosure

Background:

Pursuant to notification of SEBI (Prohibition of Insider Trading) Regulations 2015 (Insider Trading Regulations), as amended from time to time, and based on the principles of Fair Disclosure outlined in the Insider Trading Regulations, the Bank has formulated following Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (“Code”):

1. Chief Investor Relations Officer:

The Head of Investor Relations/ Compliance Officer- Share Dealing Code shall be the Chief Investor Relations officer(s) for the purposes of this Code, who shall be responsible for, and who shall deal with dissemination of information and disclosure of Unpublished Price Sensitive Information.

2. Prompt disclosure:

It will be the responsibility of Chief Investor Relations Officer(s) to make prompt public disclosure of Unpublished Price Sensitive Information that would impact price discovery no sooner than credible and concrete information comes into being in order to make such information generally available. Timelines stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, with respect to prior intimations / notices / notifications and disclosures shall be strictly observed by the Chief Investor Relations Officer(s) to ensure prompt public disclosure of Unpublished Price Sensitive Information.

3. Uniform and universal dissemination

It will be responsibility of Chief Investor Relations Officer(s) to ensure uniform and universal dissemination of Unpublished Price Sensitive Information to avoid selective disclosure of the same. Unpublished Price Sensitive Information shall be immediately disclosed / disseminated to Stock Exchanges / media so that the information is generally available through publication on the website of stock exchanges. It will be ensured that no selective disclosure of Unpublished Price Sensitive Information is made by making prompt, uniform and universal dissemination of Unpublished Price Sensitive Information.

In case Unpublished Price Sensitive Information gets disclosed selectively, inadvertently or otherwise, Chief Investor Relations Officer(s) shall ensure that such information is promptly disseminated to make such information generally available through publication on the website of stock exchanges.

Chief Investor Relations Officer(s) shall ensure that appropriate policies/procedures are in place to make transcripts or records of proceedings of meetings with analysts and other investor relations conferences and such transcripts/ records are uploaded on the official website of the Bank (and the same is intimated to the Stock Exchanges as well) to ensure official confirmation and documentation of disclosures made.

4. Response to news reports

Chief Investor Relations Officer(s) shall ensure that appropriate and fair response is given to queries on news reports related to the Bank. He shall also ensure that appropriate and fair response is given to requests for verification of market rumours by regulatory authorities.

5. Determination of 'Legitimate Purpose'

In terms of the Insider Trading Regulations, it has been clarified that 'legitimate purpose' includes 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.

The determination of 'legitimate purpose' would be a subjective assessment, and would have to be evaluated on a case by case basis. As such, it would not be possible to prescribe an exhaustive list of circumstances that would be considered 'legitimate' at all times, for the purposes of sharing UPSI.

Having regard to the fiduciary obligations cast on the Board, this Policy sets out the broad principles of the approach that the Board shall adopt while considering if UPSI ought to be shared, in a particular set of circumstances, so as to ensure responsible treatment of UPSI, in line with the spirit of the Regulations, which shall include:

(a) Evaluating the purpose for which UPSI is proposed to be shared:

This would involve a consideration of the circumstances requiring the sharing of UPSI as: (i) being in the best interests of the Bank, without any intention to make profits/ gains or avoid losses unlawfully; (ii) being in furtherance of a genuine business/ corporate purpose, or for enabling the Bank to discharge its legal obligations, etc.

While undertaking this evaluation, it would also be relevant to consider the circumstances affecting the Bank at that time, as well as the information that is generally available about the Bank, at the relevant time.

It is clarified that in the event there exist multiple purposes for sharing UPSI, each purpose will be evaluated on its own merits, in line with the aforementioned principles.

(b) Analysing the nature of the UPSI proposed to be shared in that regard:

The nature and extent of UPSI proposed to be shared, and whether the same is commensurate with the objective sought to be achieved, should also be subject to critical review. It is emphasised that UPSI should, at all times, be shared on a need – to – know basis, and only to the extent required.

(c) Identity of the persons with whom USPI is proposed to be shared:

The Bank should obtain the necessary particulars in respect of the persons (legal or natural) with whom UPSI is proposed to be shared, including, name, address, email, Permanent Account Number (PAN), or any other identifier authorised by law, where PAN is not available; and such

other documents as may be deemed fit. These details shall be maintained digitally by the Bank in a database that has time stamps and appropriate controls for maintaining audit trails.

The recipient of UPSI shall be apprised of the following, by way of written intimation/contractual agreement, such as, confidentiality agreement or non – disclosure agreement: (i) the information being shared is UPSI and that the Bank is the exclusive owner of such UPSI; (ii) upon receipt of UPSI, the recipient would be deemed to be an Insider and subject to the provisions of the Regulations, (iii) the recipient must maintain confidentiality of the UPSI at all times, (iv) the recipient may use the UPSI only for the approved purposes for which it was disclosed; (v) the recipient should provide a written undertaking that he/she/it shall not undertake trades in the securities of the Bank while in possession of the UPSI; (vi) the recipient must extend all cooperation to the Bank in this regard, and (vii) the recipient must also adopt a code of conduct in terms of Regulation 9 of the Regulations, to *inter alia* ensure that it safeguards the UPSI in line with the Regulations.

It is noted that information is shared by the Bank, from time to time, in the ordinary course of its business activities with its advisers and service providers, viz., auditors, merchant bankers and legal advisers/consultants of the Bank, etc. in line with the aforementioned principles.

6. Chinese-walls

Personnel working in concerned departments of the Bank which are handling Unpublished Price Sensitive Information, should not share such Unpublished Price Sensitive Information with personnel of other departments of the Bank or with outsiders except on a need-to-know basis. No Unpublished Price Sensitive Information shall be communicated by such personnel to any person except in furtherance of his/her legitimate purposes, performance of duties or discharge of his/her legal obligations. For sharing of Unpublished Price Sensitive Information with personnel of other departments of the Bank or with outsiders, appropriate wall-crossing procedure as stipulated in Share Dealing Code shall be followed.

Terms used in this Code of Practices and Procedures Fair Disclosure shall have the meaning as ascribed to them in the Share Dealing Code.