

August 24, 2023

Singapore Exchange Securities Trading Limited

2 Shenton Way
02-00 SGX Centre 1
Singapore 068804

Dear Sir/ Madam,

Sub: Composite scheme of amalgamation (“Scheme”) for the amalgamation of: (i) erstwhile HDFC Investments Limited and erstwhile HDFC Holdings Limited, wholly-owned subsidiaries of erstwhile Housing Development Finance Corporation Limited (“HDFC Limited”) with and into erstwhile HDFC Limited; and (ii) erstwhile HDFC Limited with and into HDFC Bank Limited.

This is further to our letter dated April 21, 2023, informing about certain forbearances/ clarifications provided by the Reserve Bank of India (“RBI”) vide its letter dated April 20, 2023.

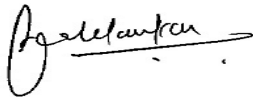
The Bank in this regard has received another letter dated August 22, 2023 from RBI at 7:48 p.m., providing further forbearances/ clarifications which are largely operational and in line with the extant regulations. The key/ material aspects of the said letter are as below:

- The Bank must ensure that there is no overlap in the investment management business undertaken by two subsidiaries of the Bank viz. HDFC Asset Management Company Ltd. and HDFC Capital Advisors Ltd., within a time period of two years from the effective date of the Scheme.
- The Bank’s wholly-owned subsidiary, HDFC Sales Pvt. Ltd. is permitted to source customers only for the Bank and not to any other entity (including group entities of the Bank).
- In respect of project finance loans of erstwhile HDFC Limited wherein DCCO (Date of Commencement of Commercial Operations) was extended under applicable NHB norms, the asset classification may continue in the books of the Bank on the same basis, provided the loans remain standard. However, as a prudent measure, provisioning shall be maintained as per extant regulations applicable to banks.
- In respect of loans granted by erstwhile HDFC Limited for acquisition and development of land, the Bank has been permitted to continue with such loans sanctioned prior to July 4, 2022; and would be required to classify them as CRE (Commercial Real Estate) exposure as also to apply relevant provisioning and risk weights norms, as applicable to banks. There are no material loans sanctioned by erstwhile HDFC Limited in connection with this, post July 4, 2022.

- In respect of loans granted by erstwhile HDFC Limited to Core Investment Companies (CICs), the Bank is permitted to continue with such loans sanctioned prior to July 4, 2022 and would be required to apply relevant provisioning and risk weights norms, as applicable to banks. There are no material loans sanctioned by erstwhile HDFC Limited in connection with this, post July 4, 2022.

The Bank may engage with the RBI for certain clarifications.

**Yours faithfully,
For HDFC Bank Limited**



**Santosh Haldankar
Company Secretary**