

## **POLICY FOR DETERMINING MATERIAL SUBSIDIARY**

### **I. OBJECTIVE AND SCOPE :**

In accordance with Regulation 16 (1) (c) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015, ("**2015 Regulations**"), HDFC BANK LIMITED ("**Bank**") has formulated this policy for determining its "material" subsidiary (ies)" ("**Policy**").

### **II. DEFINITIONS:**

In this Policy, unless there is anything repugnant to the subject or context thereof, the capitalized terms listed below shall have the following meanings:

"Subsidiary" or "subsidiaries" shall have the same meaning as assigned to the term under the Companies Act, 2013 and the Rules made thereunder, as amended, re-enacted and repealed from time to time.

The terms and expressions used but not defined herein shall have the same meaning as assigned to those terms under the 2015 Regulations, the Companies Act, 2013, the Securities Contracts (Regulations) Act, 1956 or any other Applicable Laws or regulations, as the case may be.

### **III. DETERMINATION OF MATERIAL SUBSIDIARY:**

Based on the audited annual consolidated financial statements of the Bank and its subsidiaries, a subsidiary of the Bank shall be treated as a 'material subsidiary' if:

- a. The income of such subsidiary exceeds twenty per cent of the consolidated income of the Bank and its subsidiaries in the immediately preceding accounting year (the year to which the financial statements pertain to); or
- b. The net worth of such subsidiary exceeds twenty per cent of the consolidated net worth of the Bank and its subsidiaries in the immediately preceding accounting year (the year to which the financial statements pertain to).

Provided that in case of any change to the parameters of determination pursuant to any change in applicable law or interpretation thereof, the determining criteria mentioned above shall stand changed in accordance with the same.

#### **IV. LAWS TO TAKE PRECEDENCE AND AMENDMENT:**

Any of the Deputy Managing Director, Executive Director; Chief Financial Officer or Company Secretary, being Key Managerial Personnel of the Bank, from time to time, are severally authorized by this Policy to determine whether a subsidiary has become a material subsidiary as per this Policy and the 2015 Regulations, and to do and take all necessary and incidental acts, steps, etc. in relation and pursuant thereto ("**Authorised KMP**").

If any of the provisions of this Policy, are inconsistent with the applicable laws, then the provisions of applicable laws shall prevail over the Policy to that extent and the Policy shall be deemed to have been amended so as to be read in consonance with applicable laws.

As this Policy is pursuant to the applicable laws, if any change to applicable laws or interpretation thereof necessitates any change to the Policy, then this Policy shall be read so as to accommodate the changes. The Authorised KMP will review the Policy to give effect to above, as and when need arises, till such time as the Board of Directors makes the necessary changes to the Policy.

The Board of Directors of the Bank shall make such alterations to this Policy as and when necessitated or as deemed fit, provided they are not inconsistent with the provisions of the applicable laws.

#### **V. DISSEMINATION OF POLICY:**

This Policy shall be hosted on the website of the Bank. A link thereto may be provided in the Annual Report of the Bank.

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