

HDFC BANK LIMITED
FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2016

(₹ in lacs)

Particulars	Quarter ended	Quarter ended	Quarter ended	Nine Months ended	Nine Months ended	Year ended
	31.12.2016	30.09.2016	31.12.2015	31.12.2016	31.12.2015	31.03.2016
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1 Interest Earned (a)+(b)+(c)+(d)	1760560	1706994	1541112	5119156	4422470	6022145
a) Interest / discount on advances / bills	1317564	1290136	1148349	3854781	3287897	4482786
b) Income on Investments	404934	381807	365142	1167665	1033043	1412003
c) Interest on balances with Reserve Bank of India and other inter bank funds	18688	13967	5952	36676	31269	36161
d) Others	19374	21084	21669	60034	70261	91195
2 Other Income	314267	290095	287219	885023	788586	1075172
3 Total Income (1)+(2)	2074827	1997089	1828331	6004179	5211056	7097317
4 Interest Expended	929651	907635	834261	2710744	2408652	3262993
5 Operating Expenses (i)+(ii)	484251	486999	420484	1448136	1239540	1697969
i) Employees cost	168863	165721	143127	493101	420425	570220
ii) Other operating expenses	315388	321278	277357	955035	819115	1127749
6 Total Expenditure (4)+(5) (excluding Provisions & Contingencies)	1413902	1394634	1254745	4158880	3648192	4960962
7 Operating Profit before Provisions and Contingencies (3)-(6)	660925	602455	573586	1845299	1562864	2136355
8 Provisions (other than tax) and Contingencies	71578	74899	65388	233150	206316	272561
9 Exceptional Items	-	-	-	-	-	-
10 Profit / (Loss) from Ordinary Activities before tax (7)-(8)-(9)	589347	527556	508198	1612149	1356548	1863794
11 Tax Expense	202814	182023	172514	556192	464347	634171
12 Net Profit / (Loss) from Ordinary Activities after tax (10)-(11)	386533	345533	335684	1055957	892201	1229623
13 Extraordinary items (net of tax expense)	-	-	-	-	-	-
14 Net Profit / (Loss) for the period (12)-(13)	386533	345533	335684	1055957	892201	1229623
15 Paid up equity share capital (Face Value of ₹ 2/- each)	51107	50913	50502	51107	50502	50564
16 Reserves excluding revaluation reserves						7217213
17 Analytical Ratios						
(i) Percentage of shares held by Government of India	Nil	Nil	Nil	Nil	Nil	Nil
(ii) Capital Adequacy Ratio	15.9%	15.4%	15.9%	15.9%	15.9%	15.5%
(iii) Earnings per share (₹)						
(a) Basic EPS before & after extraordinary items (net of tax expense) - not annualized	15.2	13.6	13.3	41.6	35.5	48.8
(b) Diluted EPS before & after extraordinary items (net of tax expense) - not annualized	15.0	13.4	13.1	41.1	35.0	48.3
(iv) NPA Ratios						
(a) Gross NPAs	523227	506904	425520	523227	425520	439283
(b) Net NPAs	156432	148885	126060	156432	126060	132037
(c) % of Gross NPAs to Gross Advances	1.05%	1.02%	0.97%	1.05%	0.97%	0.94%
(d) % of Net NPAs to Net Advances	0.32%	0.30%	0.29%	0.32%	0.29%	0.28%
(v) Return on assets (average) - not annualized	0.5%	0.5%	0.5%	1.4%	1.4%	1.9%

Segment information in accordance with the Accounting Standard on Segment Reporting (AS 17) of the operating segments of the Bank is as under:

(₹ in lacs)

Particulars	Quarter ended 31.12.2016	Quarter ended 30.09.2016	Quarter ended 31.12.2015	Nine Months ended 31.12.2016	Nine Months ended 31.12.2015	Year ended 31.03.2016
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1 Segment Revenue						
a) Treasury	561959	502595	480719	1566878	1328543	1826488
b) Retail Banking	1695107	1651316	1514811	4931687	4381136	5925234
c) Wholesale Banking	783356	790352	683570	2335235	2013686	2716239
d) Other Banking Operations	233082	212645	200961	640694	537015	755442
e) Unallocated	-	-	-	-	-	-
Total	3273504	3156908	2880061	9474494	8260380	11223403
Less: Inter Segment Revenue	1198677	1159819	1051730	3470315	3049324	4126086
Income from Operations	2074827	1997089	1828331	6004179	5211056	7097317
2 Segment Results						
a) Treasury	25348	26834	51324	101355	111580	148921
b) Retail Banking	230844	200731	207415	621044	551821	785503
c) Wholesale Banking	282106	259949	204641	774771	592190	788720
d) Other Banking Operations	94328	74350	80411	227199	207937	283227
e) Unallocated	(43279)	(34308)	(35593)	(112220)	(106980)	(142577)
Total Profit Before Tax	589347	527556	508198	1612149	1356548	1863794
3 Segment Assets						
a) Treasury	28656657	25186101	22473889	28656657	22473889	23533198
b) Retail Banking	27721544	28268880	24264374	27721544	24264374	25269065
c) Wholesale Banking	23137885	22697228	20710495	23137885	20710495	22624265
d) Other Banking Operations	2747197	2214545	2050514	2747197	2050514	2163306
e) Unallocated	538686	515941	480477	538686	480477	489774
Total	82801969	78882695	69979749	82801969	69979749	74079608
4 Segment Liabilities						
a) Treasury	6591139	7305597	6088430	6591139	6088430	7734038
b) Retail Banking	52831431	48817836	42799775	52831431	42799775	44831340
c) Wholesale Banking	12854932	12682207	11822230	12854932	11822230	12042552
d) Other Banking Operations	392147	287794	240198	392147	240198	247631
e) Unallocated	1629851	1733535	1828460	1629851	1828460	1956270
Total	74299500	70826969	62779093	74299500	62779093	66811831
5 Capital Employed (Segment Assets-Segment Liabilities)						
a) Treasury	22065518	17880504	16385459	22065518	16385459	15799160
b) Retail Banking	(25109887)	(20548956)	(18535401)	(25109887)	(18535401)	(19562275)
c) Wholesale Banking	10282953	10015021	8888265	10282953	8888265	10581713
d) Other Banking Operations	2355050	1926751	1810316	2355050	1810316	1915675
e) Unallocated	(1091165)	(1217594)	(1347983)	(1091165)	(1347983)	(1466496)
Total	8502469	8055726	7200656	8502469	7200656	7267777

Business Segments have been identified and reported taking into account the target customer profile, the nature of products and services, the differing risks and returns, the organisation structure, the internal business reporting system and the guidelines prescribed by RBI.

Notes :

1 Statement of Assets and Liabilities as on December 31, 2016 is given below.

(₹ in lacs)

Particulars	As at 31.12.2016	As at 31.12.2015	As at 31.03.2016
CAPITAL AND LIABILITIES	Unaudited	Unaudited	Audited
Capital	51107	50502	50564
Reserves and Surplus	8451362	7150154	7217213
Deposits	63470456	52399679	54642419
Borrowings	7212115	7194070	8496899
Other Liabilities and Provisions	3616929	3185344	3672513
Total	82801969	69979749	74079608
ASSETS			
Cash and Balances with Reserve Bank of India	4999976	2682253	3005831
Balances with Banks and Money at Call and Short notice	410256	578946	886053
Investments	23605550	19425070	19583629
Advances	49504333	43636444	46459396
Fixed Assets	349032	323946	334315
Other Assets	3932822	3333090	3810384
Total	82801969	69979749	74079608

- 2 The above results have been approved by the Board of Directors at its meeting held on January 24, 2017. The results for the quarter ended and nine months ended December 31, 2016 have been subjected to a "Limited Review" by the Statutory Auditors of the Bank. An unqualified report has been issued by them thereon.
- 3 The Bank has followed the same significant accounting policies in the preparation of these financial results as those followed in the annual financial statements for the year ended March 31, 2016.
- 4 During the quarter and nine months ended December 31, 2016, the Bank allotted 9740400 and 27187600 shares respectively pursuant to the exercise of options under the approved employee stock option schemes.
- 5 Pursuant to RBI circular FMRD.DIRD.10/14.03.002/2015-16 dated May 19, 2016, the Bank has, effective quarter ended December 31, 2016, included its repo / reverse repo transactions under Liquidity Adjustment Facility (LAF) and Marginal Standing Facility (MSF) with RBI under 'Borrowings from RBI' / 'Balances with RBI', as the case may be. Hitherto, these transactions were netted from / included under 'Investments'. Figures of the previous periods have been regrouped / reclassified wherever necessary to conform to current period's classification. The above change in classification has no impact on the profit of the Bank for the quarter ended December 31, 2016 or the previous periods presented.
- 6 RBI circular DBOD.No.BP.BC.1/21.06.201/2015-16 dated July 1, 2015 on 'Basel III Capital Regulations' read together with the RBI circular DBR.No.BP.BC.80/21.06.201/2014-15 dated March 31, 2015 on 'Prudential Guidelines on Capital Adequacy and Liquidity Standards - Amendments' requires banks to make applicable Pillar 3 disclosures including leverage ratio and liquidity coverage ratio under the Basel III Framework. These disclosures are available on the Bank's website at the following link: http://www.hdfcbank.com/aboutus/basel_disclosures/default.htm. The disclosures have not been subjected to audit or limited review.
- 7 Other income relates to income from non-fund based banking activities including commission, fees, earnings from foreign exchange and derivative transactions, profit and loss (including revaluation) from investments and recoveries from accounts written off.
- 8 As at December 31, 2016, the total number of branches (including extension counters) and ATM network stood at 4555 branches and 12087 ATMs respectively.
- 9 Figures of the previous period have been regrouped / reclassified wherever necessary to conform to current period's classification.
- 10 ₹ 10 lac = ₹ 1 million
₹ 10 million = ₹ 1 crore

Place : Mumbai
Date : January 24, 2017

Aditya Puri
Managing Director