

**HDFC BANK LIMITED**  
**FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2013**

(₹ in lacs)

	Particulars	Quarter ended 30.09.2013	Quarter ended 30.06.2013	Quarter ended 30.09.2012	Half Year ended 30.09.2013	Half Year ended 30.09.2012	Year Ended 31.03.2013
		Unaudited	Unaudited	Unaudited	Audited*	Audited*	Audited*
1	Interest Earned (a)+(b)+(c)+(d)	1009334	966296	867482	1975630	1685056	3506487
	a) Interest / discount on advances / bills	769211	732474	659958	1501685	1283141	2682239
	b) Income on Investments	229173	221782	195277	450955	383145	782026
	c) Interest on balances with Reserve Bank of India and other inter bank funds	8415	11027	8499	19442	13610	28163
	d) Others	2535	1013	3748	3548	5160	14059
2	Other Income	184435	192560	147183	376995	312126	685262
3	<b>TOTAL INCOME (1)+(2)</b>	<b>1193769</b>	<b>1158856</b>	<b>1014665</b>	<b>2352625</b>	<b>1997182</b>	<b>4191749</b>
4	Interest Expended	561681	524426	479296	1086107	931633	1925375
5	Operating Expenses (i)+(ii)	293421	303819	268536	597240	531195	1123612
	i) Employees cost	103569	110908	96293	214477	195612	396538
	ii) Other operating expenses	189852	192911	172243	382763	335583	727074
6	<b>TOTAL EXPENDITURE (4)+(5) (excluding Provisions &amp; Contingencies)</b>	<b>855102</b>	<b>828245</b>	<b>747832</b>	<b>1683347</b>	<b>1462828</b>	<b>3048987</b>
7	<b>Operating Profit before Provisions and Contingencies (3)-(6)</b>	<b>338667</b>	<b>330611</b>	<b>266833</b>	<b>669278</b>	<b>534354</b>	<b>1142762</b>
8	Provisions (other than tax) and Contingencies	38593	52712	38991	91305	97149	167700
9	Exceptional Items	-	-	-	-	-	-
10	<b>Profit / (Loss) from Ordinary Activities before tax (7)-(8)-(9)</b>	<b>300074</b>	<b>277899</b>	<b>227842</b>	<b>577973</b>	<b>437205</b>	<b>975062</b>
11	Tax Expense	101842	93513	71844	195355	139468	302434
12	<b>Net Profit / (Loss) from Ordinary Activities after tax (10)-(11)</b>	<b>198232</b>	<b>184386</b>	<b>155998</b>	<b>382618</b>	<b>297737</b>	<b>672628</b>
13	Extraordinary items (net of tax expense)	-	-	-	-	-	-
14	<b>Net Profit / (Loss) for the period (12)-(13)</b>	<b>198232</b>	<b>184386</b>	<b>155998</b>	<b>382618</b>	<b>297737</b>	<b>672628</b>
15	Paid up equity share capital (Face Value of ₹ 2/- each)	47825	47775	47234	47825	47234	47588
16	Reserves excluding revaluation reserves						3573826
17	Analytical Ratios						
	(i) Percentage of shares held by Government of India	Nil	Nil	Nil	Nil	Nil	Nil
	(ii) Capital Adequacy Ratio						
	(a) Basel II	NA	16.0%	17.0%	NA	17.0%	16.8%
	(b) Basel III	14.6%	15.5%	NA	14.6%	NA	NA
	(iii) Earnings per share (₹)						
	(a) Basic EPS before & after extraordinary items (net of tax expense) - not annualized	8.3	7.7	6.6	16.0	12.6	28.5
	(b) Diluted EPS before & after extraordinary items (net of tax expense) - not annualized	8.2	7.7	6.5	15.9	12.5	28.2
	(iv) NPA Ratios						
	(a) Gross NPAs	294171	271903	213344	294171	213344	233464
	(b) Net NPAs	76721	68904	38686	76721	38686	46895
	(c) % of Gross NPAs to Gross Advances	1.1%	1.0%	0.9%	1.1%	0.9%	1.0%
	(d) % of Net NPAs to Net Advances	0.3%	0.3%	0.2%	0.3%	0.2%	0.2%
	(v) Return on assets (average) - not annualized	0.5%	0.5%	0.4%	1.0%	0.9%	1.9%
18	Non Promoters Shareholding						
	(a) Public Shareholding						
	- No. of shares	1441044575	1438851383	1412264911	1441044575	1412264911	1429766866
	- Percentage of Shareholding	60.3%	60.3%	59.8%	60.3%	59.8%	60.1%
	(b) Shares underlying Depository Receipts (ADS and GDR)						
	- No. of shares	406987485	406665702	406217229	406987485	406217229	406436064
	- Percentage of Shareholding	17.0%	17.0%	17.2%	17.0%	17.2%	17.1%
19	Promoters and Promoter Group Shareholding						
	(a) Pledged / Encumbered						
	- No. of shares	-	-	-	-	-	-
	- Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-	-	-
	- Percentage of Shares (as a % of the total share capital of the Company)	-	-	-	-	-	-
	(b) Non - encumbered						
	- No. of shares	543216100	543216100	543216100	543216100	543216100	543216100
	- Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
	- Percentage of Shares (as a % of the total share capital of the Company)	22.7%	22.7%	23.0%	22.7%	23.0%	22.8%

\* Except for disclosure regarding 'Non Promoters Shareholding' and 'Promoters and Promoter Group Shareholding' which are unaudited.

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 30.09.2013	Quarter ended 30.06.2013	Quarter ended 30.09.2012	Half Year ended 30.09.2013	Half Year ended 30.09.2012	Year Ended 31.03.2013
	Unaudited	Unaudited	Unaudited	Audited	Audited	Audited
<b>1 Segment Revenue</b>						
a) Treasury	304726	305671	214103	610397	465799	971102
b) Retail Banking	974274	953083	858218	1927357	1663664	3491965
c) Wholesale Banking	488382	450182	454806	938564	881665	1763382
d) Other Banking Operations	125015	100168	89950	225183	168048	390256
e) Unallocated	-	258	3425	258	3425	11277
<b>Total</b>	<b>1892397</b>	<b>1809362</b>	<b>1620502</b>	<b>3701759</b>	<b>3182601</b>	<b>6627982</b>
Less: Inter Segment Revenue	698628	650506	605837	1349134	1185419	2436233
<b>Income from Operations</b>	<b>1193769</b>	<b>1158856</b>	<b>1014665</b>	<b>2352625</b>	<b>1997182</b>	<b>4191749</b>
<b>2 Segment Results</b>						
a) Treasury	(10322)	30981	4852	20659	11546	22500
b) Retail Banking	137201	122150	108913	259351	201855	442415
c) Wholesale Banking	168520	120520	108856	289040	218476	475196
d) Other Banking Operations	41148	42128	34440	83276	60468	156412
e) Unallocated	(36473)	(37880)	(29219)	(74353)	(55140)	(121461)
<b>Total Profit Before Tax</b>	<b>300074</b>	<b>277899</b>	<b>227842</b>	<b>577973</b>	<b>437205</b>	<b>975062</b>
<b>3 Capital Employed</b> (Segment Assets - Segment Liabilities)						
a) Treasury	9551390	9607111	8818950	9551390	8818950	11480639
b) Retail Banking	(10495893)	(9683888)	(8600001)	(10495893)	(8600001)	(9696648)
c) Wholesale Banking	5445787	4479732	3569194	5445787	3569194	2429843
d) Other Banking Operations	988798	1050244	876202	988798	876202	1031495
e) Unallocated	(1441565)	(1612204)	(1329875)	(1441565)	(1329875)	(1623915)
<b>Total</b>	<b>4048517</b>	<b>3840995</b>	<b>3334470</b>	<b>4048517</b>	<b>3334470</b>	<b>3621414</b>

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 organization structure, the internal business reporting system and the guidelines prescribed by RBI.

**Notes :**

- 1 Statement of Assets and Liabilities as on September 30, 2013 is given below.

(₹ in lacs)

Particulars	As at 30.09.2013	As at 30.09.2012
<b>CAPITAL AND LIABILITIES</b>	<b>Audited</b>	<b>Audited</b>
Capital	47825	47234
Reserves and Surplus	4000692	3287236
Employees' Stock Options (Grants) Outstanding	-	30
Deposits	31301114	27413004
Borrowings	3933986	3097259
Other Liabilities and Provisions	3833060	3892693
<b>Total</b>	<b>43116677</b>	<b>37737456</b>
<b>ASSETS</b>		
Cash and Balances with Reserve Bank of India	1994440	2168625
Balances with Banks and Money at Call and Short notice	808631	502618
Investments	10185000	9173377
Advances	26861699	23164861
Fixed Assets	294865	250013
Other Assets	2972041	2477962
<b>Total</b>	<b>43116677</b>	<b>37737456</b>

- 2 The above results have been approved by the Board of Directors at its meeting held on October 15, 2013.
- 3 The results for the half year ended September 30, 2013 have been subject to an "Audit" and the results for the quarter ended September 30, 2013 have been subject to a "Limited Review" by the Statutory Auditors of the Bank. An unqualified report has been issued by them thereon.
- 4 The Bank has followed the same significant accounting policies in the preparation of the interim financial statements as those followed in the annual financial statements for the year ended March 31, 2013.
- 5 The RBI vide its circular DBOD.BP.BC.No. 41/21.04.141/2013-14 dated August 23, 2013, allowed banks the option to distribute the net depreciation on the entire Available For Sale (AFS) and Held For Trading (HFT) portfolio on each of the valuation dates in the current financial year, in equal installments over the year. For the quarter ended September 30, 2013, the net depreciation on these portfolios of the Bank amounted to ₹ 135.02 crore. However, the Bank has opted not to distribute the said amount of depreciation and has recognised this charge entirely in the Profit and Loss Account during the quarter and half year ended September 30, 2013. Had the Bank opted to amortise the net depreciation, the said charge would have been lower by ₹ 115.73 crore and the profit after tax would have been higher by ₹ 76.61 crore. Further, vide the same circular, as a one-time measure, the RBI permitted banks to transfer SLR securities from AFS/HFT category to HTM category. Accordingly, during the quarter ended September 30, 2013, the Bank has transferred SLR securities with face value of ₹ 1932.49 crore from AFS category to HTM category and has recognised a loss of ₹ 16.90 crore in the Profit and Loss Account resulting from the said transfer. Had this transfer not been effected, the depreciation charge during the quarter and half year ended September 30, 2013, arising on valuation of the investment portfolio, would have been higher by ₹ 38.54 crore and the profit after tax would have been lower by ₹ 25.51 crore.
- 6 Commission paid to sales agents and subventions / fees received from dealers and manufacturers for originating retail asset products were reclassified under Operating Expenses and under Other Income respectively, effective year ended March 31, 2013. The net commission paid was hitherto reduced from Interest Income. Figures for the quarter and half year ended September 30, 2012 have accordingly been regrouped / reclassified. The above change in classification has no impact on the profit of the Bank.
- 7 Recoveries from written off accounts and direct charge offs were reclassified under Other Income and under Operating Expenses respectively, effective March 31, 2013. These were hitherto included in the specific loan loss charge under Provisions and Contingencies. Figures for the quarter and half year ended September 30, 2012 have accordingly been regrouped / reclassified. The above change in classification has no impact on the profit of the Bank.
- 8 In accordance with the RBI circular DBOD.No.BP.BC.88/21.06.201/2012-13 dated March 28, 2013, banks are required to disclose capital adequacy ratio computed under Basel III capital regulations from the quarter ended June 30, 2013. Accordingly, corresponding details for previous periods are not applicable.
- 9 In accordance with RBI circular DBOD.No.BP.BC.2/21.06.201/2013-14 dated July 1, 2013, Banks are required to make half yearly Pillar 3 disclosures under Basle III capital requirements with effect from September 30, 2013. The Bank has made these disclosures which are available on its website at the following link: [http://www.hdfcbank.com/aboutus/basel\\_disclosures/default.htm](http://www.hdfcbank.com/aboutus/basel_disclosures/default.htm). The disclosures have not been subjected to audit or limited review.
- 10 During the quarter ended September 30, 2013, the Bank acquired additional 27.8% stake in its subsidiary HDFC Securities Limited (HSL). Post this acquisition, the Bank's stake holding in HSL was 89.9% as of September 30, 2013.
- 11 During the quarter and half year ended September 30, 2013, the Bank allotted 2514975 and 11829130 shares pursuant to the exercise of stock options by certain employees.
- 12 Other income relates to income from non-fund based banking activities including commission, fees, foreign exchange earnings, earnings from derivative transactions, profit and loss (including revaluation) from investments and recoveries from accounts written off.
- 13 As at September 30, 2013, the total number of branches (including extension counters) and ATM network stood at 3251 branches and 11177 ATMs respectively.
- 14 Information on investor complaints pursuant to Clause 41 of the listing agreement for the quarter ended September 30, 2013:  
Opening : Nil; Additions : 683; Disposals : 683; Closing position : Nil.
- 15 Figures of the previous periods have been regrouped / reclassified wherever necessary to conform to current period's classification.
- 16 ₹ 10 lac = ₹ 1 million  
₹ 10 million = ₹ 1 crore

Place : Mumbai  
Date : October 15, 2013

**Aditya Puri**  
Managing Director