

**HDFC BANK LIMITED**  
**FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2017**

( ` in lacs)

Particulars	Quarter ended 30.09.2017	Quarter ended 30.06.2017	Quarter ended 30.09.2016	Half year ended 30.09.2017	Half year ended 30.09.2016	Year ended 31.03.2017
	Unaudited	Unaudited	Unaudited	Audited	Audited	Audited
1 Interest Earned (a)+(b)+(c)+(d)	1967028	1866872	1706994	3833900	3358596	6930596
a) Interest / discount on advances / bills	1535575	1448606	1290136	2984181	2537217	5205526
b) Income on Investments	400646	389297	381807	789943	762731	1594434
c) Interest on balances with Reserve Bank of India and other inter bank funds	10649	10820	13967	21469	17988	53202
d) Others	20158	18149	21084	38307	40660	77434
2 Other Income	360590	351666	290095	712256	570756	1229649
<b>3 Total Income (1)+(2)</b>	<b>2327618</b>	<b>2218538</b>	<b>1997089</b>	<b>4546156</b>	<b>3929352</b>	<b>8160245</b>
4 Interest Expended	991821	929798	907635	1921619	1781093	3616674
5 Operating Expenses (i)+(ii)	554005	536746	486999	1090751	963885	1970332
i) Employees cost	171577	165751	165721	337328	324238	648366
ii) Other operating expenses (Refer Note 9)	382428	370995	321278	753423	639647	1321966
<b>6 Total Expenditure (4)+(5) (excluding Provisions &amp; Contingencies)</b>	<b>1545826</b>	<b>1466544</b>	<b>1394634</b>	<b>3012370</b>	<b>2744978</b>	<b>5587006</b>
<b>7 Operating Profit before Provisions and Contingencies (3)-(6)</b>	<b>781792</b>	<b>751994</b>	<b>602455</b>	<b>1533786</b>	<b>1184374</b>	<b>2573239</b>
8 Provisions (other than tax) and Contingencies	147619	155876	74899	303495	161572	359330
9 Exceptional Items	-	-	-	-	-	-
<b>10 Profit / (Loss) from Ordinary Activities before tax (7)-(8)-(9)</b>	<b>634173</b>	<b>596118</b>	<b>527556</b>	<b>1230291</b>	<b>1022802</b>	<b>2213909</b>
11 Tax Expense	219070	206734	182023	425804	353378	758943
<b>12 Net Profit / (Loss) from Ordinary Activities after tax (10)-(11)</b>	<b>415103</b>	<b>389384</b>	<b>345533</b>	<b>804487</b>	<b>669424</b>	<b>1454966</b>
13 Extraordinary items (net of tax expense)	-	-	-	-	-	-
<b>14 Net Profit / (Loss) for the period (12)-(13)</b>	<b>415103</b>	<b>389384</b>	<b>345533</b>	<b>804487</b>	<b>669424</b>	<b>1454966</b>
15 Paid up equity share capital (Face Value of ` 2/- each)	51680	51478	50913	51680	50913	51251
16 Reserves excluding revaluation reserves						8894987
<b>17 Analytical Ratios</b>						
(i) Percentage of shares held by Government of India	Nil	Nil	Nil	Nil	Nil	Nil
(ii) Capital Adequacy Ratio	15.1%	15.6%	15.4%	15.1%	15.4%	14.6%
(iii) Earnings per share ( ` )						
(a) Basic EPS before & after extraordinary items (net of tax expense) - not annualized	16.1	15.2	13.6	31.3	26.4	57.2
(b) Diluted EPS before & after extraordinary items (net of tax expense) - not annualized	15.9	15.0	13.4	30.9	26.1	56.4
(iv) NPA Ratios						
(a) Gross NPAs	770284	724293	506904	770284	506904	588566
(b) Net NPAs	259683	252821	148885	259683	148885	184399
(c) % of Gross NPAs to Gross Advances	1.26%	1.24%	1.02%	1.26%	1.02%	1.05%
(d) % of Net NPAs to Net Advances	0.43%	0.44%	0.30%	0.43%	0.30%	0.33%
(v) Return on assets (average) - not annualized	0.47%	0.46%	0.46%	0.93%	0.92%	1.88%

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 30.09.2017	Quarter ended 30.06.2017	Quarter ended 30.09.2016	Half year ended 30.09.2017	Half year ended 30.09.2016	Year ended 31.03.2017
	Unaudited	Unaudited	Unaudited	Audited	Audited	Audited
<b>1 Segment Revenue</b>						
a) Treasury	492717	474088	475719	966805	968004	2032618
b) Retail Banking	1798234	1759229	1651316	3557463	3236580	6614750
c) Wholesale Banking	1038220	937223	817228	1975443	1588794	3258785
d) Other Banking Operations	277984	255117	212645	533101	407612	904669
e) Unallocated	-	-	-	-	-	-
<b>Total</b>	<b>3607155</b>	<b>3425657</b>	<b>3156908</b>	<b>7032812</b>	<b>6200990</b>	<b>12810822</b>
Less: Inter Segment Revenue	1279537	1207119	1159819	2486656	2271638	4650577
<b>Income from Operations</b>	<b>2327618</b>	<b>2218538</b>	<b>1997089</b>	<b>4546156</b>	<b>3929352</b>	<b>8160245</b>
<b>2 Segment Results</b>						
a) Treasury	42822	45739	33507	88561	85376	165911
b) Retail Banking	263109	212238	200731	475347	390200	843216
c) Wholesale Banking	271927	282190	253276	554117	483296	1012304
d) Other Banking Operations	110909	98107	74350	209016	132871	336533
e) Unallocated	(54594)	(42156)	(34308)	(96750)	(68941)	(144055)
<b>Total Profit Before Tax</b>	<b>634173</b>	<b>596118</b>	<b>527556</b>	<b>1230291</b>	<b>1022802</b>	<b>2213909</b>
<b>3 Segment Assets</b>						
a) Treasury	27557908	26570417	25089308	27557908	25089308	26335640
b) Retail Banking	33628360	31457133	28268880	33628360	28268880	29582892
c) Wholesale Banking	28245767	27984965	22794021	28245767	22794021	27214883
d) Other Banking Operations	3341673	3041526	2214545	3341673	2214545	2720588
e) Unallocated	590025	511265	515941	590025	515941	530018
<b>Total</b>	<b>93363733</b>	<b>89565306</b>	<b>78882695</b>	<b>93363733</b>	<b>78882695</b>	<b>86384021</b>
<b>4 Segment Liabilities</b>						
a) Treasury	4127964	3530332	4498097	4127964	4498097	3873249
b) Retail Banking	54309020	53718130	48817836	54309020	48817836	52579290
c) Wholesale Banking	22015850	19771198	15489707	22015850	15489707	19125490
d) Other Banking Operations	440338	360425	287794	440338	287794	314274
e) Unallocated	2876242	2759448	1733535	2876242	1733535	1545480
<b>Total</b>	<b>83769414</b>	<b>80139533</b>	<b>70826969</b>	<b>83769414</b>	<b>70826969</b>	<b>77437783</b>
<b>5 Capital Employed</b> (Segment Assets-Segment Liabilities)						
a) Treasury	23429944	23040085	20591211	23429944	20591211	22462391
b) Retail Banking	(20680660)	(22260997)	(20548956)	(20680660)	(20548956)	(22996398)
c) Wholesale Banking	6229917	8213767	7304314	6229917	7304314	8089393
d) Other Banking Operations	2901335	2681101	1926751	2901335	1926751	2406314
e) Unallocated	(2286217)	(2248183)	(1217594)	(2286217)	(1217594)	(1015462)
<b>Total</b>	<b>9594319</b>	<b>9425773</b>	<b>8055726</b>	<b>9594319</b>	<b>8055726</b>	<b>8946238</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 organisation structure, the internal business reporting system and the guidelines prescribed by RBI.

**Notes :**

- 1 Statement of Assets and Liabilities as at September 30, 2017 is given below.

(` in lacs)

Particulars	As at 30.09.2017	As at 30.09.2016	As at 31.03.2017
	Audited	Audited	Audited
<b>CAPITAL AND LIABILITIES</b>			
Capital	51680	50913	51251
Reserves and Surplus	9542639	8004813	8894987
Deposits	68934590	59173061	64363966
Borrowings	10153108	7703851	7402887
Other Liabilities and Provisions	4681716	3950057	5670930
<b>Total</b>	<b>93363733</b>	<b>78882695</b>	<b>86384021</b>
<b>ASSETS</b>			
Cash and Balances with Reserve Bank of India	3594151	2925372	3789687
Balances with Banks and Money at Call and Short notice	988759	1787833	1105523
Investments	24027904	20602862	21446334
Advances	60486694	49441784	55456820
Fixed Assets	353287	351225	362675
Other Assets	3912938	3773619	4222982
<b>Total</b>	<b>93363733</b>	<b>78882695</b>	<b>86384021</b>

- 2 The above results have been approved by the Board of Directors at its meeting held on October 24, 2017. The results for the half year ended September 30, 2017 have been audited 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, 2017.
- 4 The figures for the quarter ended September 30, 2017 are the balancing figures between audited figures for half year ended September 30, 2017 and published figures for the quarter ended June 30, 2017.
- 5 During the quarter and half year ended September 30, 2017, the Bank allotted 10113300 and 21450900 shares respectively pursuant to the exercise of options under the approved employee stock option schemes.
- 6 During the half year ended September 30, 2017, the Bank raised Additional Tier 1 Capital bonds of ` 8,000 crore and Tier 2 Capital bonds of ` 2,000 crore.
- 7 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](http://www.hdfcbank.com/aboutus/basel_disclosures/default.htm). The disclosures have not been subjected to audit or review by the statutory auditors.
- 8 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.
- 9 Other operating expenses include commission paid to sales agents of ` 600.00 crore (previous period : ` 474.99 crore) and ` 1,130.21 crore (previous period : ` 932.85 crore) for the quarter and half year ended September 30, 2017 respectively and of ` 1,906.80 crore for the year ended March 31, 2017.
- 10 As at September 30, 2017, the total number of branches (including extension counters) and ATM network stood at 4,729 branches and 12,259 ATMs respectively.
- 11 The Bank had participated in a project loan (where the Bank had a 2.3% share) which underwent flexible structuring under the 5:25 regulatory framework as approved by the Joint Lenders Forum (JLF) in February 2016. The Bank is in ongoing discussions and correspondence with the regulator in relation to certain observations made on the implementation of the JLF-approved flexible structuring scheme. The conduct of this account with the Bank has been standard throughout. Nevertheless, in the interim, the Bank has made sufficient contingent provisions for this account as at September 30, 2017.
- 12 Pursuant to RBI circular FMRD.DIRD.10/14.03.002/2015-16 dated May 19, 2016, the Bank has 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 periods presented.
- 13 Figures of the previous period have been regrouped / reclassified wherever necessary to conform to current period's classification.
- 14 ` 10 lac = ` 1 million  
` 10 million = ` 1 crore

Place : Mumbai  
Date : October 24, 2017

Aditya Puri  
Managing Director

Regd. Office : HDFC Bank Ltd., HDFC Bank House, Senapati Bapat Marg, Lower Parel (West), Mumbai - 400013.