



We understand your world

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22<sup>nd</sup> April, 2014

**Bombay Stock Exchange Limited**  
Dept. of Corporate Services  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort,  
Mumbai 400 001  
Fax No. 022-22722037 / 39 / 41

**The National Stock Exchange of India Limited**  
The Listing Department  
Exchange Plaza  
Bandra Kurla Complex  
Mumbai 400 051  
Fax No. 022-26598237 / 38 / 66418124 / 25 / 26

Dear Sirs,

**Re: Board Meeting held on 22<sup>nd</sup> April, 2014**

Pursuant to clause 20, 41 and other applicable clauses of the Listing Agreement, we send herewith the Audited Financial Results (both standalone and consolidated) for the year ended 31<sup>st</sup> March 2014, segment reporting and summarized Balance Sheet as on 31<sup>st</sup> March, 2014 duly approved by the Board at its meeting held today. The press release in this regard is also enclosed.

We shall arrange to publish the results in the Business Standard and Mumbai Sakal newspaper editions within 48 hours from the conclusion of the Board meeting.

We are also pleased to inform that the Bank's Profit Before Tax for the year was Rs.12,772.1 crore, an increase of 31% over the previous year. With effective tax rate for the year at 33.6% as against 31% for the previous year, the net profit for the year ended March 31, 2014 was Rs.8478.4 crore, up 26% over the previous year. The Board of Directors have recommended a dividend of Rs.6.85 per equity share of Rs. 2/- each (i.e.343 %) out of the net profits for the year ended 31<sup>st</sup> March, 2014.

Thanking you,

Yours faithfully,  
For HDFC Bank Limited

Sanjay Dongre  
Executive Vice President (Legal) &  
Company Secretary

**Encl: As above**

**HDFC BANK LIMITED**  
**FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2014**

(₹ in lacs)

| Particulars                                                                              | Quarter ended<br>31.03.2014 | Quarter ended<br>31.12.2013 | Quarter ended<br>31.03.2013 | Year ended<br>31.03.2014 | Year ended<br>31.03.2013 |
|------------------------------------------------------------------------------------------|-----------------------------|-----------------------------|-----------------------------|--------------------------|--------------------------|
|                                                                                          | Audited*                    | Unaudited                   | Audited*                    | Audited*                 | Audited*                 |
| 1 Interest Earned (a)+(b)+(c)+(d)                                                        | 1078856                     | 1059068                     | 932391                      | 4113554                  | 3506487                  |
| a) Interest / discount on advances / bills                                               | 848701                      | 818306                      | 708653                      | 3168692                  | 2682239                  |
| b) Income on Investments                                                                 | 221790                      | 230940                      | 209585                      | 903685                   | 782026                   |
| c) Interest on balances with Reserve Bank of India and other inter bank funds            | 7642                        | 8515                        | 7780                        | 35599                    | 28163                    |
| d) Others                                                                                | 723                         | 1307                        | 6373                        | 5578                     | 14059                    |
| 2 Other Income                                                                           | 200142                      | 214827                      | 180363                      | 791964                   | 685262                   |
| 3 <b>TOTAL INCOME (1)+(2)</b>                                                            | <b>1278998</b>              | <b>1273895</b>              | <b>1112754</b>              | <b>4905518</b>           | <b>4191749</b>           |
| 4 Interest Expended                                                                      | 583592                      | 595591                      | 502865                      | 2265290                  | 1925375                  |
| 5 Operating Expenses (i)+(ii)                                                            | 317472                      | 289507                      | 313617                      | 1204219                  | 1123612                  |
| i) Employees cost                                                                        | 106124                      | 97297                       | 100533                      | 417898                   | 396538                   |
| ii) Other operating expenses                                                             | 211348                      | 192210                      | 213084                      | 786321                   | 727074                   |
| 6 <b>TOTAL EXPENDITURE (4)+(5) (excluding Provisions &amp; Contingencies)</b>            | <b>901064</b>               | <b>885098</b>               | <b>816482</b>               | <b>3469509</b>           | <b>3048987</b>           |
| 7 <b>Operating Profit before Provisions and Contingencies (3)-(6)</b>                    | <b>377934</b>               | <b>388797</b>               | <b>296272</b>               | <b>1436009</b>           | <b>1142762</b>           |
| 8 Provisions (other than tax) and Contingencies                                          | 28613                       | 38884                       | 30054                       | 158802                   | 167700                   |
| 9 Exceptional Items                                                                      | -                           | -                           | -                           | -                        | -                        |
| 10 <b>Profit / (Loss) from Ordinary Activities before tax (7)-(8)-(9)</b>                | <b>349321</b>               | <b>349913</b>               | <b>266218</b>               | <b>1277207</b>           | <b>975062</b>            |
| 11 Tax Expense                                                                           | 116669                      | 117343                      | 77234                       | 429367                   | 302434                   |
| 12 <b>Net Profit / (Loss) from Ordinary Activities after tax (10)-(11)</b>               | <b>232652</b>               | <b>232570</b>               | <b>188984</b>               | <b>847840</b>            | <b>672628</b>            |
| 13 Extraordinary items (net of tax expense)                                              | -                           | -                           | -                           | -                        | -                        |
| 14 <b>Net Profit / (Loss) for the period (12)-(13)</b>                                   | <b>232652</b>               | <b>232570</b>               | <b>188984</b>               | <b>847840</b>            | <b>672628</b>            |
| 15 Paid up equity share capital (Face Value of ₹ 2/- each)                               | 47981                       | 47892                       | 47588                       | 47981                    | 47588                    |
| 16 Reserves excluding revaluation reserves                                               | -                           | -                           | -                           | 4299884                  | 3573826                  |
| 17 <b>Analytical Ratios</b>                                                              |                             |                             |                             |                          |                          |
| (i) Percentage of shares held by Government of India                                     | Nil                         | Nil                         | Nil                         | Nil                      | Nil                      |
| (ii) Capital Adequacy Ratio                                                              |                             |                             |                             |                          |                          |
| (a) Basel II                                                                             | NA                          | NA                          | 16.8%                       | NA                       | 16.8%                    |
| (b) Basel III                                                                            | 16.1%                       | 14.7%                       | NA                          | 16.1%                    | NA                       |
| (iii) Earnings per share (₹)                                                             |                             |                             |                             |                          |                          |
| (a) Basic EPS before & after extraordinary items (net of tax expense) - not annualized   | 9.7                         | 9.8                         | 8.0                         | 35.5                     | 28.5                     |
| (b) Diluted EPS before & after extraordinary items (net of tax expense) - not annualized | 9.6                         | 9.7                         | 7.9                         | 35.2                     | 28.2                     |
| (iv) NPA Ratios                                                                          |                             |                             |                             |                          |                          |
| (a) Gross NPAs                                                                           | 298928                      | 301784                      | 233464                      | 298928                   | 233464                   |
| (b) Net NPAs                                                                             | 82003                       | 79734                       | 46895                       | 82003                    | 46895                    |
| (c) % of Gross NPAs to Gross Advances                                                    | 1.0%                        | 1.0%                        | 1.0%                        | 1.0%                     | 1.0%                     |
| (d) % of Net NPAs to Net Advances                                                        | 0.3%                        | 0.3%                        | 0.2%                        | 0.3%                     | 0.2%                     |
| (v) Return on assets (average) - not annualized                                          | 0.5%                        | 0.5%                        | 0.5%                        | 2.0%                     | 1.9%                     |
| 18 <b>Non Promoters Shareholding</b>                                                     |                             |                             |                             |                          |                          |
| (a) Public Shareholding                                                                  |                             |                             |                             |                          |                          |
| - No. of shares                                                                          | 1448829678                  | 1444372788                  | 1429766866                  | 1448829678               | 1429766866               |
| - Percentage of Shareholding                                                             | 60.4%                       | 60.3%                       | 60.1%                       | 60.4%                    | 60.1%                    |
| (b) Shares underlying Depository Receipts (ADS and GDR)                                  |                             |                             |                             |                          |                          |
| - No. of shares                                                                          | 407004657                   | 407004657                   | 406436064                   | 407004657                | 406436064                |
| - Percentage of Shareholding                                                             | 17.0%                       | 17.0%                       | 17.1%                       | 17.0%                    | 17.1%                    |
| 19 <b>Promoters and Promoter Group Shareholding</b>                                      |                             |                             |                             |                          |                          |
| (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                |
| - Percentage of Shares (as a % of the total shareholding of promoter and promoter group) | 100.0%                      | 100.0%                      | 100.0%                      | 100.0%                   | 100.0%                   |
| - Percentage of Shares (as a % of the total share capital of the Company)                | 22.6%                       | 22.7%                       | 22.8%                       | 22.6%                    | 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<br>31.03.2014 | Quarter ended<br>31.12.2013 | Quarter ended<br>31.03.2013 | Year ended<br>31.03.2014 | Year ended<br>31.03.2013 |
|---------------------------------------------------------------------|-----------------------------|-----------------------------|-----------------------------|--------------------------|--------------------------|
|                                                                     | Audited                     | Unaudited                   | Audited                     | Audited                  | Audited                  |
| <b>1 Segment Revenue</b>                                            |                             |                             |                             |                          |                          |
| a) Treasury                                                         | 266743                      | 301530                      | 265639                      | 1178670                  | 971102                   |
| b) Retail Banking                                                   | 1088123                     | 1065006                     | 920165                      | 4080486                  | 3491965                  |
| c) Wholesale Banking                                                | 508128                      | 517842                      | 435538                      | 1964534                  | 1763382                  |
| d) Other Banking Operations                                         | 145248                      | 132924                      | 116979                      | 503355                   | 390256                   |
| e) Unallocated                                                      | -                           | -                           | 5889                        | 258                      | 11277                    |
| <b>Total</b>                                                        | <b>2008242</b>              | <b>2017302</b>              | <b>1744210</b>              | <b>7727303</b>           | <b>6627982</b>           |
| Less: Inter Segment Revenue                                         | 729244                      | 743407                      | 631456                      | 2821785                  | 2436233                  |
| <b>Income from Operations</b>                                       | <b>1278998</b>              | <b>1273895</b>              | <b>1112754</b>              | <b>4905518</b>           | <b>4191749</b>           |
| <b>2 Segment Results</b>                                            |                             |                             |                             |                          |                          |
| a) Treasury                                                         | 12565                       | 8006                        | 2100                        | 41230                    | 22500                    |
| b) Retail Banking                                                   | 157893                      | 151297                      | 117679                      | 568541                   | 442415                   |
| c) Wholesale Banking                                                | 150037                      | 154934                      | 129078                      | 594011                   | 475196                   |
| d) Other Banking Operations                                         | 47620                       | 61150                       | 50655                       | 192046                   | 156412                   |
| e) Unallocated                                                      | (18794)                     | (25474)                     | (33294)                     | (118621)                 | (121461)                 |
| <b>Total Profit Before Tax</b>                                      | <b>349321</b>               | <b>349913</b>               | <b>266218</b>               | <b>1277207</b>           | <b>975062</b>            |
| <b>3 Capital Employed</b><br>(Segment Assets - Segment Liabilities) |                             |                             |                             |                          |                          |
| a) Treasury                                                         | 12241141                    | 10436562                    | 11480639                    | 12241141                 | 11480639                 |
| b) Retail Banking                                                   | (12909019)                  | (11518070)                  | (9696648)                   | (12909019)               | (9696648)                |
| c) Wholesale Banking                                                | 5305539                     | 5711662                     | 2429843                     | 5305539                  | 2429843                  |
| d) Other Banking Operations                                         | 1259579                     | 1113961                     | 1031495                     | 1259579                  | 1031495                  |
| e) Unallocated                                                      | (1549375)                   | (1454981)                   | (1623915)                   | (1549375)                | (1623915)                |
| <b>Total</b>                                                        | <b>4347865</b>              | <b>4289134</b>              | <b>3621414</b>              | <b>4347865</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 organisation structure, the internal business reporting system and the guidelines prescribed by RBI.

**Notes :**

- 1 Statement of Assets and Liabilities as on March 31, 2014 is given below.

(₹ in lacs)

| Particulars                                            | As at<br>31.03.2014 | As at<br>31.03.2013 |
|--------------------------------------------------------|---------------------|---------------------|
| <b>CAPITAL AND LIABILITIES</b>                         | <b>Audited</b>      | <b>Audited</b>      |
| Capital                                                | 47981               | 47588               |
| Reserves and Surplus                                   | 4299884             | 3573826             |
| Deposits                                               | 36733748            | 29624698            |
| Borrowings                                             | 3943900             | 3300660             |
| Other Liabilities and Provisions                       | 4134439             | 3486418             |
| <b>Total</b>                                           | <b>49159952</b>     | <b>40033190</b>     |
| <b>ASSETS</b>                                          |                     |                     |
| Cash and Balances with Reserve Bank of India           | 2534563             | 1462740             |
| Balances with Banks and Money at Call and Short notice | 1423801             | 1265277             |
| Investments                                            | 12095107            | 11161360            |
| Advances                                               | 30300028            | 23972064            |
| Fixed Assets                                           | 293992              | 270308              |
| Other Assets                                           | 2512461             | 1901441             |
| <b>Total</b>                                           | <b>49159952</b>     | <b>40033190</b>     |

- 2 The above results have been approved by the Board of Directors at its meeting held on April 22, 2014. There are no qualifications in the auditor's report for the year ended March 31, 2014. The information presented above is extracted from the audited financial statements as stated.
- 3 The figures of last quarter are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the end of third quarter of the respective financial year.
- 4 The Board of Directors at their meeting proposed a dividend of ₹ 6.85 per share, subject to the approval of the members at the ensuing Annual General Meeting.
- 5 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, details for previous periods are not applicable.
- 6 During the quarter and year ended March 31, 2014, the Bank allotted 4456890 and 19631405 shares pursuant to the exercise of stock options by certain employees.
- 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 March 31, 2014, the total number of branches (including extension counters) and ATM network stood at 3403 branches and 11256 ATMs respectively.
- 9 Information on investor complaints pursuant to Clause 41 of the listing agreement for the quarter ended March 31, 2014:  
Opening : Nil; Additions : 694; Disposals : 694; Closing position : Nil.
- 10 Figures of the previous periods have been regrouped / reclassified wherever necessary to conform to current period's classification.
- 11 ₹ 10 lac = ₹ 1 million  
₹ 10 million = ₹ 1 crore

Place : Mumbai

Date : April 22, 2014

  
**Aditya Puri**  
 Managing Director



We understand your world

HDFC Bank Limited,  
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**HDFC BANK LIMITED GROUP**

**CONSOLIDATED FINANCIAL RESULTS FOR THE YEAR ENDED MARCH 31, 2014**

|    |                                                                                          | (₹ in lacs)              |                          |
|----|------------------------------------------------------------------------------------------|--------------------------|--------------------------|
|    | Particulars                                                                              | Year ended<br>31-03-2014 | Year ended<br>31-03-2013 |
|    |                                                                                          | Audited                  | Audited                  |
| 1  | Interest Earned (a)+(b)+(c)+(d)                                                          | 4255502                  | 3586102                  |
|    | a) Interest/discount on advances / bills                                                 | 3307752                  | 2759121                  |
|    | b) Income on Investments                                                                 | 903920                   | 782428                   |
|    | c) Interest on balances with Reserve Bank of India and other inter bank funds            | 37860                    | 30191                    |
|    | d) Others                                                                                | 5970                     | 14362                    |
| 2  | Other Income                                                                             | 829750                   | 713297                   |
| 3  | <b>TOTAL INCOME (1)+(2)</b>                                                              | <b>5085252</b>           | <b>4299399</b>           |
| 4  | Interest Expended                                                                        | 2344545                  | 1969545                  |
| 5  | Operating Expenses (i)+(ii)                                                              | 1246965                  | 1155190                  |
|    | i) Employees cost                                                                        | 449447                   | 420179                   |
|    | ii) Other operating expenses                                                             | 797518                   | 735011                   |
| 6  | <b>TOTAL EXPENDITURE (4)+(5) (excluding Provisions &amp; Contingencies)</b>              | <b>3591510</b>           | <b>3124735</b>           |
| 7  | <b>Operating Profit before Provisions and Contingencies (3)-(6)</b>                      | <b>1493742</b>           | <b>1174664</b>           |
| 8  | Provisions (Other than tax) and Contingencies                                            | 172675                   | 174263                   |
| 9  | Exceptional Items                                                                        | -                        | -                        |
| 10 | <b>Profit / (Loss) from ordinary activities before tax (7-8-9)</b>                       | <b>1321067</b>           | <b>1000401</b>           |
| 11 | Tax Expense                                                                              | 444616                   | 310373                   |
| 12 | <b>Net Profit / (Loss) from Ordinary Activities after tax (10-11)</b>                    | <b>876451</b>            | <b>690028</b>            |
| 13 | Extraordinary items (net of tax expense)                                                 | -                        | -                        |
| 14 | <b>Net Profit / (Loss) for the year (12-13)</b>                                          | <b>876451</b>            | <b>690028</b>            |
| 15 | Minority Interest                                                                        | 2465                     | 3352                     |
| 16 | Share in profits of associates                                                           | 363                      | 288                      |
| 17 | <b>Consolidated profit for the year attributable to the Group</b>                        | <b>874349</b>            | <b>686964</b>            |
| 18 | Paid up equity share capital (Face Value of ₹2/- each)                                   | 47981                    | 47588                    |
| 19 | Reserves excluding revaluation reserves                                                  | 4368682                  | 3616684                  |
| 20 | <b>Analytical Ratios</b>                                                                 |                          |                          |
|    | (i) Percentage of shares held by Government of India                                     | Nil                      | Nil                      |
|    | (ii) Earnings per share (₹)                                                              |                          |                          |
|    | (a) Basic EPS before & after extraordinary items (net of tax expense) - not annualized   | 36.6                     | 29.1                     |
|    | (b) Diluted EPS before & after extraordinary items (net of tax expense) - not annualized | 36.3                     | 28.8                     |



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

| Particulars                                                                      | (₹ in lacs)              |                          |
|----------------------------------------------------------------------------------|--------------------------|--------------------------|
|                                                                                  | Year ended<br>31-03-2014 | Year ended<br>31-03-2013 |
|                                                                                  | Audited                  | Audited                  |
| <b>1 Segment Revenue</b>                                                         |                          |                          |
| a) Treasury                                                                      | 1178670                  | 971102                   |
| b) Retail Banking                                                                | 4080486                  | 3491965                  |
| c) Wholesale Banking                                                             | 1964534                  | 1763382                  |
| d) Other banking operations                                                      | 683088                   | 497906                   |
| e) Unallocated                                                                   | 259                      | 11277                    |
| <b>Total</b>                                                                     | <b>7907037</b>           | <b>6735632</b>           |
| Less: Inter Segment Revenue                                                      | 2821785                  | 2436233                  |
| <b>Income from Operations</b>                                                    | <b>5085252</b>           | <b>4299399</b>           |
| <b>2 Segment Results</b>                                                         |                          |                          |
| a) Treasury                                                                      | 41230                    | 22500                    |
| b) Retail Banking                                                                | 568541                   | 442415                   |
| c) Wholesale Banking                                                             | 594011                   | 475196                   |
| d) Other banking operations                                                      | 235905                   | 181751                   |
| e) Unallocated                                                                   | (118620)                 | (121461)                 |
| <b>Total Profit Before Tax, Minority Interest &amp; Earnings from Associates</b> | <b>1321067</b>           | <b>1000401</b>           |
| <b>3 Capital Employed</b><br>(Segment Assets - Segment Liabilities)              |                          |                          |
| a) Treasury                                                                      | 12241141                 | 11480639                 |
| b) Retail Banking                                                                | (12909019)               | (9696648)                |
| c) Wholesale Banking                                                             | 5305539                  | 2429843                  |
| d) Other banking operations                                                      | 1340452                  | 1093222                  |
| e) Unallocated                                                                   | (1546276)                | (1620650)                |
| <b>Total</b>                                                                     | <b>4431837</b>           | <b>3686406</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 Consolidated Statement of Assets and Liabilities as on March 31, 2014 is given below.

| (₹ in lacs)                                            |                     |                     |
|--------------------------------------------------------|---------------------|---------------------|
| Particulars                                            | As at<br>31.03.2014 | As at<br>31.03.2013 |
| <b>CAPITAL AND LIABILITIES</b>                         | <b>Audited</b>      | <b>Audited</b>      |
| Capital                                                | 47981               | 47588               |
| Reserves and Surplus                                   | 4368682             | 3616684             |
| Minority Interest                                      | 15174               | 22134               |
| Deposits                                               | 36708033            | 29609177            |
| Borrowings                                             | 4959672             | 3949661             |
| Other Liabilities and Provisions                       | 4262454             | 3527054             |
| <b>Total</b>                                           | <b>50361996</b>     | <b>40772298</b>     |
| <b>ASSETS</b>                                          |                     |                     |
| Cash and balances with Reserve Bank of India           | 2535722             | 1463088             |
| Balances with Banks and Money at Call and Short notice | 1455621             | 1290028             |
| Investments                                            | 11957106            | 11096041            |
| Advances                                               | 31541886            | 24724512            |
| Fixed Assets                                           | 302628              | 277332              |
| Other Assets                                           | 2569033             | 1921297             |
| <b>Total</b>                                           | <b>50361996</b>     | <b>40772298</b>     |

- 2 The above results represent the consolidated financial results for HDFC Bank Limited, its subsidiaries and associates. These results have been approved by the Board of Directors at its meeting held on April 22, 2014. There are no qualifications in the auditor's report for the year ended March 31, 2014. The information presented above is extracted from the audited consolidated financial statements as stated.
- 3 The above results are prepared in accordance with the principles set out in Accounting Standard 21- Consolidated Financial Statements and Accounting Standard 23 - Accounting for Investments in Associates in Consolidated Financial Statements as prescribed by the Institute of Chartered Accountants of India.
- 4 In accordance with RBI circular DBOD.No.BP.BC.2/21.06.201/2013-14 dated July 1, 2013, banks are required to make Pillar 3 disclosures under Basel III capital regulations for the Group. These disclosures are available at [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.
- 5 Figures of the previous year have been regrouped/reclassified wherever necessary to conform to current year's classification.
- 6 ₹ 10 lac = ₹ 1 million  
₹ 10 million = ₹ 1 crore

Place : Mumbai  
Date : April 22, 2014

  
Aditya Puri  
Managing Director

# B S R & Co. LLP

Chartered Accountants

1st Floor, Lodha Excelus  
Apollo Mills Compound  
N. M. Joshi Marg, Mahalakshmi  
Mumbai - 400 011  
India

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## Independent Auditor's Report

### To the Board of Directors of HDFC Bank Limited

#### Report on the Financial Results

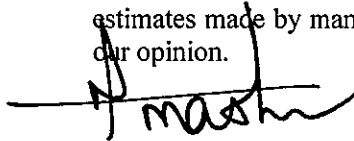
1. We have audited the accompanying annual financial results of HDFC Bank Limited ('the Bank') for the year ended 31 March 2014, attached herewith, being submitted by the Bank pursuant to the requirement of clause 41 of the Listing Agreement with The BSE Limited ('BSE') and The National Stock Exchange of India Limited ('NSE') (together referred to as the 'Stock Exchanges') except for the disclosures regarding 'Non Promoters Shareholding' and 'Promoters and Promoter Group Shareholding' which have been traced from disclosures made by management and have not been audited by us. Further, disclosures relating to 'Pillar 3 under Basel III Regulations' as have been disclosed on the Bank's website and in respect of which a link has been provided in the aforesaid financial results have not been audited by us. Attention is drawn to the fact that the figures for the quarter ended 31 March 2014 and the corresponding quarter ended in the previous year as reported in these financial results are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the end of the third quarter of the relevant financial year. Also the figures for each of the preceding three quarters have only been reviewed and not been subjected to audit.

#### Management's Responsibility for the Financial Results

2. These financial results have been prepared on the basis of the annual financial statements and reviewed quarterly financial results up to the end of the third quarter which are the responsibility of the Bank's management. Our responsibility is to express an opinion on these financial results based on our audit of the annual financial statements which have been prepared in accordance with the provisions of Section 29 of the Banking Regulation Act, 1949 along with the recognition and measurement principles laid down in the Companies (Accounting Standards) Rules, 2006 as per Section 211 (3C) of the Companies Act, 1956 and other accounting principles generally accepted in India including circulars and guidelines issued by Reserve Bank of India from time to time and in compliance with Clause 41 of the Listing Agreement.

#### Auditor's Responsibility

3. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.



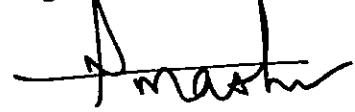
**Independent Auditor's Report (*Continued*)**

**HDFC Bank Limited**

**Opinion**

4. In our opinion and to the best of our information and according to the explanations given to us these financial results:
- (i) are presented in accordance with the requirements of clause 41 of the Listing Agreement in this regard; and
  - (ii) give a true and fair view of the net profit and other financial information of the Bank for the year ended 31 March 2014.
5. Further, we also report that we have, on the basis of the books of account and other records and information and explanations given to us by management, also verified the number of shares as well as percentage of shareholdings in respect of aggregate amount of public shareholdings, as furnished by the Bank in terms of clause 35 of the Listing Agreement and found the same to be correct.

For **B S R & Co. LLP**  
*Chartered Accountants*  
Firm's Registration No: 101248W



**Akeel Master**  
*Partner*  
Membership No: 046768

Mumbai  
22 April 2014

# B S R & Co. LLP

Chartered Accountants

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## Independent Auditor's Report

### To the Board of Directors of HDFC Bank Limited

#### Report on the Consolidated Financial Results

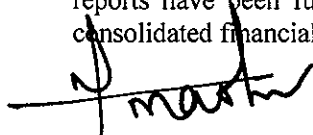
1. We have audited the accompanying annual consolidated financial results of HDFC Bank Limited ('the Bank'), its subsidiaries and associates (collectively known as 'the Group') for the year ended 31 March 2014, attached herewith, being submitted by the Bank pursuant to the requirement of clause 41 of the Listing Agreement with The BSE Limited ('BSE') and The National Stock Exchange of India Limited ('NSE') (together referred to as the 'Stock Exchanges') except for the disclosures regarding 'Non Promoters Shareholding' and 'Promoters and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. Further, disclosures relating to 'Pillar 3 under Basel III Regulations' as have been disclosed on the Bank's website and in respect of which a link has been provided in the aforesaid financial results have not been audited by us. Attention is drawn to the fact that the figures for the quarter ended 31 March 2014 and the corresponding quarter ended in the previous year as reported in these financial results are the balancing figures between audited figures in respect of the full financial year and the published year to date figures up to the end of the third quarter of the relevant financial year. Also the figures for each of the preceding three quarters have only been reviewed and not been subjected to audit.

#### Management's Responsibility for the Consolidated Financial Results

2. These consolidated financial results have been prepared on the basis of the consolidated financial statements which are the responsibility of the Bank's management. Our responsibility is to express an opinion on these consolidated financial results based on our audit of the consolidated annual financial statements of the Group in accordance with the provisions of Section 29 of the Banking Regulation Act, 1949 along with the recognition and measurement principles laid down in the Companies (Accounting Standards) Rules, 2006 as per Section 211(3C) of the Companies Act, 1956 and other accounting principles generally accepted in India including circulars and guidelines issued by the Reserve Bank of India from time to time and in compliance with Clause 41 of the Listing Agreement.

#### Auditor's Responsibility

3. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial statements. An audit includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.
4. We did not audit the financial statements and other financial information of the subsidiaries of the Group whose financial statements reflect total assets of ₹ 92,402 lacs as at 31 March 2014, total revenues of ₹ 26,847 lacs and cash flows of ₹ 3,392 lacs for the year then ended. These financial statements have been audited by other auditors, whose reports have been furnished to us and were relied upon by us for our opinion on the consolidated financial statements of the Group.



## **Independent Auditor's Report (Continued)**

### **HDFC Bank Limited**

5. The financial results also include ₹ 272 lacs being the Group's proportionate share in the profit of associates which has been recognised on the basis of the audited financial statements available with the Bank. These financial statements have been audited by other auditors, whose reports have been furnished to us and were relied upon by us for our opinion on consolidated financial statements of the Group.
6. The financial statements also include ₹ 91 lacs being the Group's proportionate share in the profit of associates which has been recognised on the basis of the unaudited financial statements available with the Bank.

#### **Opinion**

7. In our opinion and to the best of our information and according to the explanations given to us these annual consolidated financial results:
  - (i) include the annual financial results of the following entities included in the consolidation:

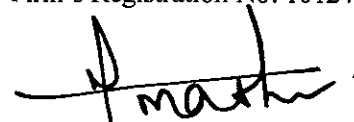
**Subsidiaries and Entity controlled by the Bank –**

    - HDFC Securities Limited
    - HDB Financial Services Limited
    - HDB Employees Welfare Trust

**Associates –**

    - Atlas Documentary Facilitators Company Private Limited
    - HBL Global Private Limited
    - International Asset Reconstruction Company Private Limited
  - (ii) have been presented in accordance with the requirements of clause 41 of the Listing Agreement in this regard; and
  - (iii) give a true and fair view of the consolidated net profit and other financial information of the Bank for the year ended 31 March 2014.
8. Further, we also report that we have, on the basis of the books of account and other records and information and explanations given to us by the management, also verified the consolidated number of shares as well as percentage of shareholdings in respect of aggregate amount of consolidated public shareholdings, as furnished by the Bank in terms of clause 35 of the Listing Agreement and found the same to be correct.

For B S R & Co. LLP  
Chartered Accountants  
Firm's Registration No: 101248W



**Akeel Master**  
Partner

Membership No: 046768

Mumbai  
22 April 2014

**NEWS RELEASE**  
**HDFC Bank Limited**

**FINANCIAL RESULTS (INDIAN GAAP)  
FOR THE QUARTER AND YEAR ENDED MARCH 31, 2014**

The Board of Directors of HDFC Bank Limited approved the Bank's (Indian GAAP) accounts for the quarter and year ended March 31, 2014, at their meeting held in Mumbai on Tuesday, April 22, 2014. Both the quarterly and annual accounts have been audited by the statutory auditors of the Bank.

**FINANCIAL RESULTS:**

**Profit & Loss Account: Year ended March 31, 2014**

For the year ended March 31, 2014, the Bank earned total income of ₹ 49,055.2 crores. Net revenues (net interest income plus other income) for the year ended March 31, 2014 were ₹ 26,402.3 crores, up by 16.5% over ₹ 22,663.7 crores for the year ended March 31, 2013. For the year ended March 31, 2014, the net interest margin was 4.4% as against 4.5% for the year ended March 31, 2013. Cost to income ratio was at 45.6% for the year ended March 31, 2014, as against 49.6% for the previous year.

The Bank's profit before tax was ₹ 12,772.1 crores, an increase of 31.0% over the year ended March 31, 2013. With the effective tax rate for the year at 33.6% as against 31.0% for the previous year, the net profit for year ended March 31, 2014 was ₹ 8,478.4 crores, up 26.0%, over the year ended March 31, 2013. Consolidated net profit of the Bank increased by 27.3% to ₹ 8,743.5 crores for the year ended March 31, 2014.

**Profit & Loss Account: Quarter ended March 31, 2014**

The Bank's total income for the quarter ended March 31, 2014 was ₹ 12,790.0 crores, an increase of 14.9% over ₹ 11,127.5 crores for the quarter ended March 31, 2013. Net revenues were at ₹ 6,954.1 crores for the quarter ended March 31, 2014 as against ₹ 6,098.9 crores for the corresponding quarter of the previous year. Net interest income (interest earned less interest expended) for the quarter ended March 31, 2014 accounted for 71.2% of net revenues and grew by 15.3% to ₹ 4,952.6 crores from ₹ 4,295.3 crores for the quarter ended March 31, 2013, driven by average asset growth of 20.3% and a net interest margin for the quarter of 4.4%.

Other income (non-interest revenue) at ₹ 2,001.4 crores was 28.8% of the net revenues for the quarter ended March 31, 2014 and grew by 11.0% over ₹ 1,803.6 crores in the corresponding quarter ended March 31, 2013. The four components of other income for the quarter ended March 31, 2014 were fees & commissions of ₹ 1,521.2 crores (₹ 1,382.6 crores in the corresponding quarter of the previous year), foreign exchange & derivatives revenue of ₹ 252.1 crores (₹ 201.4 crores for the corresponding quarter of the previous year), gain on revaluation / sale of investments of ₹ 33.3 crores (₹ 64.9 crores for the quarter ended March 31, 2013) and miscellaneous income including recoveries of ₹ 194.8 crores (₹ 154.7 crores for the corresponding quarter of the previous year).

Operating expenses for the quarter were ₹ 3,174.7 crores, an increase of 1.2% over ₹ 3,136.2 crores during the corresponding quarter of the previous year. The cost-to-income ratio for the quarter was at 45.7% as against 51.4% for the corresponding quarter ended March 31, 2013. With asset quality remaining stable during the quarter, provisions and contingencies were ₹ 286.1 crores for the quarter ended March 31, 2014 as against ₹ 300.5 crores for the corresponding quarter ended March 31, 2013.

The profit before tax was ₹ 3,493.2 crores, an increase of 31.2% over ₹ 2,662.2 crores for the quarter ended March 31, 2013. After providing ₹ 1,166.7 crores for taxation (effective tax rate of 33.4% against 29.0% for the corresponding quarter ended March 31, 2013), the Bank earned a net profit of ₹ 2,326.5 crores, an increase of 23.1% over the quarter ended March 31, 2013.

#### **Balance Sheet: As of March 31, 2014**

Total deposits as of March 31, 2014 were ₹ 367,337 crores, an increase of 24.0% over March 31, 2013. Savings account deposits grew 16.9% over the previous year to reach ₹ 103,133 crores. Current account deposits grew 17.5% over the previous year to reach ₹ 61,488 crores. CASA deposits were 44.8% of total deposits as on March 31, 2014.

Advances as of March 31, 2014 were ₹ 303,000 crores, an increase of 26.4% over March 31, 2013. The domestic loan mix between retail : wholesale is 53:47. Total advances in overseas branches as of March 31, 2014 were at 8% of the total advances as against 4% as of March 31, 2013. Adjusted for the one time increase in FCNR deposits swapped with RBI under the special window in the quarter ended December 31, 2013, and the related foreign currency loans, core deposits and advances growth for the year was 16.9% and 21.8% respectively.





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## Capital Adequacy:

The Bank's total Capital Adequacy Ratio (CAR) as at March 31, 2014 (computed as per Basel III guidelines) stood at 16.1% as against a regulatory requirement of 9%. Of this, Tier-I CAR was 11.8%.

## DIVIDEND

The Board of Directors recommended a dividend of ₹ 6.85 per equity share of ₹ 2 for the year ended March 31, 2014, as against ₹ 5.5 per equity share of ₹ 2 for the previous year. This would be subject to approval by the shareholders at the next annual general meeting.

## NETWORK

The Bank has continued its branch expansion adding 341 branches in the year ended March 31, 2014, of which 230 of these branches are in unbanked locations. As of March 31, 2014, the Bank's distribution network was at 3,403 branches and 11,256 ATMs in 2,171 cities / towns as against 3,062 branches and 10,743 ATMs in 1,845 cities / towns as of March 31, 2013. 55% of the total branches are now in semi-urban and rural areas.

## ASSET QUALITY

Gross non-performing assets (NPAs) were at 0.98% of gross advances as on March 31, 2014, as against 1.01% as on December 31, 2013 and 0.97% as on March 31, 2013. Net non-performing assets were at 0.3% of net advances as on March 31, 2014. Total restructured loans (including applications under process for restructuring) were at 0.2% of gross advances as of March 31, 2014.

Note:

₹ = Indian Rupees

1 crore = 10 million

All figures and ratios are in accordance with Indian GAAP.

*Certain statements are included in this release which contain words or phrases, such as "will", "aim", "believe", "expect", "will continue", "anticipate", "estimate", "intend", "plan", "future", "objective", "project", "should", and similar expressions or variations of these expressions, that are "forward-looking statements". Actual results may differ materially from those suggested by the forward-looking statements due to certain risks or uncertainties associated with our expectations with respect to, but not limited to, our ability to implement our strategy successfully, the market acceptance of and demand for various banking services, future levels of our non-performing loans, our growth and expansion, the adequacy of our allowance for credit and investment losses, technological changes, volatility in investment income, our ability to market new products, cash flow projections, the outcome of any legal, tax or regulatory proceedings in India and in other jurisdictions we are or become a party to, the future impact of new accounting standards, our ability to pay dividends, the impact of changes in banking regulations and other regulatory changes in India and other jurisdictions on us, our ability to roll over our short-term funding sources and our exposure to market and operational risks. By their nature, certain of the market risk disclosures are only estimates and could be materially different from what may actually occur in the future. As a result, actual future gains, losses or impact on net income could materially differ from those that have been estimated. Our forward looking statements speak only as of the date on which they are made and we do not undertake any obligation, and we do*



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*not intend, to update or revise any forward looking statements to reflect events or circumstances after the date in the statement, even if our expectations or any related events or circumstances change. In addition, other factors that could cause actual results to differ materially from those estimated by the forward-looking statements contained in this document include, but are not limited to: general economic and political conditions, instability or uncertainty in India and other countries which have an impact on our business activities or investments caused by any factor including the global financial crisis and problems in the Eurozone countries, terrorist attacks in India, the United States or elsewhere, anti-terrorist or other attacks by the United States, a United States-led coalition or any other country, tensions between India and Pakistan related to the Kashmir region, military armament or social unrest in any part of India, the monetary and interest rate policies of the government of India, natural calamities, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in Indian and foreign laws and regulations, including tax, accounting and banking regulations, changes in competition and the pricing environment in India, and regional or general changes in asset valuations.*

**For media queries please contact:**

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