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**INDEPENDENT AUDITORS' REVIEW REPORT
TO THE BOARD OF DIRECTORS OF
HOUSING DEVELOPMENT FINANCE CORPORATION LIMITED**

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of **HOUSING DEVELOPMENT FINANCE CORPORATION LIMITED** (the "Corporation"), its subsidiaries and jointly controlled entities (the Corporation, its subsidiaries and jointly controlled entities constitute "the Group") and its share of the profit of its associates for the Quarter ended June 30, 2014 ("the Statement"), being submitted by the Corporation pursuant to Clause 41 of the Listing Agreements with the Stock Exchanges, except for the disclosures in Part II - Select Information referred to in paragraph 8 below. This Statement is the responsibility of the Corporation's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.

2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Corporation personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

3. The Statement includes the results of the following entities:

   Subsidiaries: Credila Financial Services Private Limited, GRUH Finance Limited, HDFC Asset Management Company Limited, HDFC Developers Limited, HDFC Education and Development Services Private Limited, HDFC ERGO General Insurance Company Limited, HDFC Holdings Limited, HDFC Investments Limited, HDFC Property Ventures Limited, HDFC Realty Limited, HDFC Sales Private Limited, HDFC Standard Life Insurance Company Limited, HDFC Trustee Company Limited, HDFC Venture Capital Limited, HDFC Ventures Trustee Company Limited, HDFC Pension Management Company Limited, Griha Investments, Griha Pte Limited, HDFC Investment Trust and HDFC Investment Trust - II.

   Associates: HDFC Bank Limited and India Value Fund Advisors Private Limited.

4. We did not review the interim financial results of six subsidiaries included in the consolidated financial results, whose interim financial results reflect total revenues of ₹ 3,344.45 crore for the Quarter ended June 30, 2014, and total profit after tax of ₹ 406.92

crore for the Quarter ended June 30, 2014, as considered in the consolidated financial results. These interim financial results have been reviewed by other auditors whose reports have been furnished to us by the Management and our report on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors.

5. The consolidated financial results also includes the Group's share of profit after tax of ₹ 18.10 crore for the Quarter ended June 30, 2014, as considered in the consolidated financial results, in respect of four components (two subsidiaries and two associates) of an associate, based on their interim financial results which have not been reviewed by their respective auditors.

6. Based on our review conducted as stated above and based on the consideration of the reports of the other auditors referred to in paragraph 4 above and read together with the matter described in paragraph 5 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the Accounting Standards specified under the Companies Act, 1956 (which are deemed to be applicable as per Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014) and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreements with the Stock Exchanges, including the manner in which it is to be disclosed, or that it contains any material misstatement.

7. a) The actuarial valuation of liabilities for life policies in force and for the policies in respect of which premium has been discontinued but liability exists on the financial statements as at June 30, 2014 in respect of one subsidiary and the estimate of claims Incurred But Not Reported (IBNR) and claims Incurred But Not Enough Reported (IBNER), included under Claims Outstanding as at June 30, 2014 in respect of one subsidiary has been duly certified by the subsidiary's appointed actuaries respectively, and in their opinion, the assumptions for such valuation are in accordance with the guidelines and norms issued by the Insurance Regulatory and Development Authority ("IRDA") and the Institute of Actuaries of India in concurrence with the IRDA. The respective auditors of those subsidiaries have relied on the appointed actuaries' certificates in this regard in forming their conclusion on the financial result of the said Subsidiaries.

   b) We refer to Note 3 to the Statement, which describes the accounting treatment used by the Corporation in creating the Deferred Tax Liability on Special Reserve under section 36(1)(viii) of the Income Tax Act, 1961 as at April 1, 2014, which is in accordance with the NHB's Circular No. NHB (ND)/DRS/Pol. Circular No. 62/2014 dated May 27, 2014.

   Our conclusion is not qualified in respect of the matters described in paragraphs (a) and (b) above.

8. Further, we also report that we have traced the number of shares as well as the percentage of shareholding in respect of the aggregate amount of public shareholding and the number of shares in terms of Clause 35 of the Listing Agreements with the Stock Exchanges and the particulars relating to investor complaints disclosed in Part II - Select Information for the Quarter Ended June 30, 2014 of the Statement, from the details furnished by the Management. We are informed that there is no promoter or promoter group of the Corporation.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Sanjiv V. Pilgaonkar
Partner
(Membership No. 39826)

MUMBAI, July 21, 2014
SVP/PG/2014-15