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

1. We have audited the accompanying Statement of Standalone Financial Results of **HOUSING DEVELOPMENT FINANCE CORPORATION LIMITED** (the "Corporation") for the year ended March 31, 2015, (the "Statement"), being submitted by the Corporation pursuant to the requirement of Clause 41 of the Listing Agreements with the Stock Exchanges, except for the disclosures in Part II - Select Information referred to in paragraph 5 below. This Statement has been prepared on the basis of the related annual financial statements, which are the responsibility of the Corporation's Management and have been approved by the Board of Directors. Our responsibility is to express an opinion on the Statement, based on our audit of the related annual financial statements, which have been prepared in accordance with the Accounting Standards specified under section 133 of the Companies Act, 2013 (the "Act"), read with rule 7 of the Companies (Accounts) Rules, 2014 and other accounting principles generally accepted in India.

2. We conducted our audit of the Statement 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 Statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and the disclosures in the Statement. An audit also includes assessing the accounting principles used and the significant estimates made by the Management, as well as evaluating the overall Statement presentation. We believe that our audit provides a reasonable basis for our opinion.

3. Attention is invited to Note 13 of the Statement regarding figures for the quarter ended March 31, 2015 being balancing figures between the audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year.

4. In our opinion and to the best of our information and according to the explanations given to us, and based on the audit reports received from the Branch Auditors for the Dubai Branch, the Statement:

   (i) is presented in accordance with the requirements of Clause 41 of the Listing Agreements with the Stock Exchanges and

(ii) gives a true and fair view in conformity with the accounting principles generally accepted in India of the net profit and other financial information of the Corporation for the year ended March 31, 2015.

5. 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 in terms of Clause 35 of the Listing Agreements with the Stock Exchanges and the particulars relating to the investor complaints disclosed in Part II - Select Information for the Quarter and Year Ended March 31, 2015 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, April 29, 2015
SVP/PG/2014-15

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AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER / YEAR ENDED MARCH 31, 2015

PART I – STATEMENT OF STANDALONE AUDITED FINANCIAL RESULTS FOR THE QUARTER / YEAR ENDED MARCH 31, 2015

PARTICULARS	**Quarter ended 31.3.2015**	Quarter ended 31.12.2014	Quarter ended 31.3.2014	**Year ended 31.3.2015**	Year ended 31.3.2014
	(Audited) Refer Note 13	(Reviewed)	(Audited) Refer Note 13	**(Audited)**	(Audited)
			₹ in Crore		
Income from Operations	**7,222.90**	6,758.36	6,492.72	**26,959.88**	23,894.03
Profit on Sale of Investments	**225.07**	112.59	127.61	**441.28**	248.98
Total Income	**7,447.97**	6,870.95	6,620.33	**27,401.16**	24,143.01
Expenditure :					
- Interest and Other Charges	**4,582.94**	4,587.78	4,140.59	**17,975.09**	16,029.37
- Staff Expenses	**81.43**	83.30	66.78	**328.46**	279.18
- Provision for Contingencies	**50.00**	45.00	30.00	**165.00**	100.00
- Other Expenses	**75.54**	90.28	48.86	**348.39**	317.01
- Depreciation and Amortisation	**13.09**	11.67	8.49	**29.78**	31.87
Total Expenditure	**4,803.00**	4,818.03	4,294.72	**18,846.72**	16,757.43
Profit from Operations before Other Income	**2,644.97**	2,052.92	2,325.61	**8,554.44**	7,385.58
Other Income	**8.46**	11.57	27.49	**69.70**	54.66
Profit Before Tax	**2,653.43**	2,064.49	2,353.10	**8,624.14**	7,440.24
Tax Expense	**671.23**	551.71	630.00	**2,269.23**	2,000.00
Net Profit before adjustment of Deferred Tax on Special Reserve	**1,982.20**	1,512.78	1,723.10	**6,354.91**	5,440.24
Deferred Tax Liability on Special Reserve	**119.77**	87.29	-	**364.77**	-
Net Profit After Tax	**1,862.43**	1,425.49	1,723.10	**5,990.14**	5,440.24
Earnings per Share - (₹)					
- Basic	**11.81**	9.07	11.00	**38.13**	34.89
- Diluted	**11.66**	8.99	10.92	**37.78**	34.62
Debenture Redemption Reserve				**-**	-
Debt Equity Ratio				**6.74**	6.58
Debt Service Coverage Ratio				**0.14**	0.17
Interest Service Coverage Ratio				**1.48**	1.46
Paid-up Equity Share Capital (Face value ₹ 2)	**314.94**	314.41	312.10	**314.94**	312.10
Reserves as at March 31				**30,655.03**	27,643.09

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PART II – SELECT INFORMATION FOR THE QUARTER / YEAR ENDED MARCH 31, 2015

A] PARTICULARS OF SHAREHOLDING	**Quarter ended 31.3.2015**	Quarter ended 31.12.2014	Quarter ended 31.3.2014	**Year ended 31.3.2015**	Year ended 31.3.2014
Public Shareholding : - Number of Shares - Percentage of Shareholding	**157,46,97,670** **100**	157,20,60,365 100	156,05,32,605 100	**157,46,97,670** **100**	156,05,32,605 100
Promoters and Promoter Group Shareholding					
a) Pledged/Encumbered					
- Number 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 Corporation)	-	-	-	-	-
b) Non-Encumbered					
- Number 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 Corporation)	-	-	-	-	-

B] INVESTOR COMPLAINTS	Quarter ended 31.3.2015
- Pending at the beginning of the quarter	Nil
- Received during the quarter	Nil
- Disposed of during the quarter	Nil
- Remaining unresolved at the end of the quarter	Nil

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Notes :

1) Statement of Standalone Assets and Liabilities:

₹ in Crore

		As At	
	PARTICULARS	**31.3.2015**	31.3.2014
		Audited	**Audited**
A	**EQUITY AND LIABILITIES**		
1	**Shareholders' Funds**		
	- Share Capital	**314.94**	**312.10**
	- Reserves and Surplus	**30,655.03**	**27,643.09**
	Sub Total - Shareholders' Funds	**30,969.97**	**27,955.19**
2	**Non-current Liabilities**		
	- Long Term Borrowings	**97,602.34**	**86,881.04**
	- Deferred tax liability (Net)	**200.67**	
	- Other Long Term Liabilities	**2,436.81**	**2,231.11**
	- Long Term Provisions	**1,550.88**	**1,347.00**
	Sub Total – Non Current Liabilities	**1,01,790.70**	**90,459.15**
3	**Current Liabilities**		
	- Short Term Borrowings	**33,257.71**	**25,317.85**
	- Trade Payables	**87.80**	**81.82**
	- Other Current Liabilities :		
	- Borrowings	**77,738.98**	**71,774.30**
	- Others	**7,467.60**	**7,137.20**
	- Short Term Provisions	**2,638.90**	**2,706.98**
	Sub Total – Current Liabilities	**1,21,190.99**	**1,07,018.15**
	TOTAL – EQUITY AND LIABILTIES	**2,53,951.66**	**2,25,432.49**
B	**ASSETS**		
1	**Non-Current Assets**		
	- Fixed Assets	**676.96**	**280.48**
	- Non-Current Investments	**13,691.70**	**13,370.29**
	- Deferred Tax Assets (Net)	**-**	**629.87**
	- Long Term Loans and Advances:		
	- Loans	**2,01,680.43**	**1,75,746.08**
	- Others	**2,564.72**	**2,638.32**
	- Other Non-Current Assets	**2,763.11**	**914.08**
	Sub Total – Non-Current Assets	**2,21,376.92**	**1,93,579.12**
2	**Current Assets**		
	- Current Investments	**602.64**	**542.36**
	- Trade Receivables	**46.18**	**84.52**
	- Cash and cash equivalent	**3,364.65**	**7,715.52**
	- Short Term Loans and Advances :		
	- Loans	**26,019.69**	**20,808.31**
	- Others	**1,966.28**	**2,305.36**
	- Other Current Assets	**575.30**	**397.30**
	Sub Total – Current Assets	**32,574.74**	**31,853.37**
	TOTAL – ASSETS	**2,53,951.66**	**2,25,432.49**

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2) The Directors have recommended a final dividend of **₹ 13.00** per share in addition to the interim dividend of ₹ 2 per share.

3) As at March 31, 2015, the loan book stood at **₹ 2,28,181 crore** as against ₹ 1,97,100 crore in the Previous Year. This is after considering the loans sold during the preceding 12 months amounting to **₹ 8,249 crore**.

4) Vide circular NHB(ND)/DRS/Pol. 62/2014 dated May 27, 2014, the National Housing Bank (NHB) had directed Housing Finance Companies (HFCs) to provide for deferred tax liability in respect of the balance in the "Special Reserve" created under section 36(1)(viii) of the Income Tax Act, 1961. Vide circular NHB(ND)/DRS/Pol. 65/2014 dated August 22, 2014, NHB has permitted HFCs to create the Deferred Tax Liability over a period of 3 years, in a phased manner in the ratio of 25:25:50. Accordingly, the Corporation has created 25 percent of deferred tax liability of **₹ 559.54 crore** on opening balance of accumulated Special Reserve.

   The Corporation has further charged **₹ 364.77 crore** (previous year ₹ Nil) to its Statement of Profit & Loss for the year ended March 31, 2015 being the deferred tax liability on additional amount appropriated towards Special Reserve out of profits of the current year. To aid comparability, the deferred tax liability charged to the Statement of Profit and Loss has been separately disclosed.

5) Other Expenses for the quarter ended March 31, 2015 includes expenses towards Corporate Social Responsibility (CSR) under Section 135 of the Companies Act, 2013.

6) During the year ended March 31, 2015, the Corporation has reviewed its policy of providing for depreciation on its tangible fixed assets and has also reassessed their useful lives. On and from April 1, 2014, the straight line method is being used to depreciate all classes of tangible fixed assets. Previously, the straight line method was used for depreciating Buildings, Computers, Leased Assets and Leasehold Improvements while other tangible fixed assets were being depreciated using the reducing balance method. The revised useful lives, as assessed by Management, match those specified in Part C of Schedule II to the Companies Act, 2013, for all classes of assets other than Computer Hardware and Vehicles. Management believes that the revised useful lives of the assets reflect the periods over which these assets are expected to be used.

   As a result of the change, the charge on account of Depreciation for the quarter ended March 31, 2015, is lower by **₹ 1.19 crore** compared to the method used and useful lives estimated in earlier periods.

7) During the quarter ended March 31, 2015, the Corporation has sold 2,24,65,508 equity shares of ₹ 10/- each of HDFC Standard Life Insurance Company Ltd (HDFC Life). The shares sold represents 1.13% of the total issued, subscribed and paid-up equity capital of HDFC Life.

8) During the quarter ended March 31, 2015, the Corporation has allotted 26,37,305 equity shares of ₹ 2 each pursuant to exercise of stock options by certain employees / directors.

9) H T Parekh Foundation, a company covered by Section 8 of the Companies Act, 2013, ceased to be a subsidiary of the Corporation.

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10) The Classification of Assets and Liabilities into Current and Non-Current is carried out based on their residual maturity profile.

The estimates and assumptions regarding prepayments and renewals as prescribed by the National Housing Bank (NHB) (which are taken into account for ALM purpose) are not considered while classifying the assets and liabilities into current and non-current.

11) The Corporation's main business is financing by way of loans for the purchase or construction of residential houses, commercial real estate and certain other purposes, in India. All other activities of the Corporation revolve around the main business. As such, there are no separate reportable segments, as per the Accounting Standard on 'Segment Reporting' (AS 17), specified under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.

12) Definitions for Coverage Ratios are as under:
Interest Service Coverage Ratio = (Profit Before Tax + Interest and Other Charges) / Interest and Other Charges. Debt Service Coverage Ratio = (Profit Before Tax + Interest and Other Charges) / (Interest and Other Charges + Principal Repayment). Debt Equity Ratio = (Long Term Borrowings + Short Term Borrowings + Current Maturities of Long Term Borrowings) / Shareholders' Funds.

13) Figures of the quarter ended March 31, 2015 and March 31, 2014 are the balancing figures between audited figures in respect of the full financial year and published year to date figures up to the third quarter of the relevant financial year.

14) Figures for the previous period have been regrouped wherever necessary, in order to make them comparable.

The above results were reviewed and recommended by the Audit Committee of Directors and subsequently approved by the Board of Directors at the meeting held on April 29, 2015.

Place: Mumbai
Date: April 29, 2015

Keki M Mistry
Vice Chairman & CEO