

NOTICE is hereby given that the Eighteenth Annual General Meeting of the members of HDFC Bank Limited will be held at Birla Matushri Sabhagar, 19, New Marine Lines, Mumbai – 400 020 on Friday, July 13, 2012 at 2:30 p.m., to transact the following items of business :

ORDINARY BUSINESS:

1. To consider and adopt the audited Balance Sheet as at March 31, 2012, Profit and Loss Account for the year ended on that date and Reports of the Board of Directors and Auditors thereon.
2. To declare dividend on equity shares.
3. To appoint a director in place of Dr. Pandit Palande, who retires by rotation, and being eligible, offers himself for re-appointment.
4. To appoint a director in place of Mr. Partho Datta, who retires by rotation, and being eligible, offers himself for re-appointment.
5. To appoint Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution :

“RESOLVED THAT, subject to the approval of the Reserve Bank of India, M/s. BSR & Co., Chartered Accountants (ICAI Registration No. 101248W), be and are hereby appointed as the Statutory Auditors of the Bank to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting, at an annual remuneration of ₹ 1,05,60,000/- (Rupees One Crore Five Lacs Sixty Thousand) plus service tax as applicable for the purpose of audit of the Bank's accounts at its head office, branches and other offices.”

SPECIAL BUSINESS:

6. To consider, and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution :

“RESOLVED THAT Mr. Keki Mistry, who was appointed as an Additional Director of the Bank pursuant to the provisions of Section 260 of the Companies, Act 1956 and who holds office up to the date of this Annual General Meeting and in respect of whom the Bank has received a notice under Section 257 of the Companies, Act 1956, in writing, proposing his candidature for the office of director, be and is hereby appointed as a Director of the Bank subject to retirement by rotation under the Articles of Association of the Company.”

7. To consider, and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the applicable provisions of the Companies Act, 1956 and the listing agreement(s) entered into by the Bank with the stock exchanges, the approval of the members be and is hereby granted for payment of fees to the extent of ₹ 20,000/- per meeting to Mr. Bobby Parikh, a Director of the Bank, with effect from September 28, 2011, for attending the meetings of the IT Strategy Committee constituted in accordance with the guidelines of the Reserve Bank of India;

RESOLVED FURTHER THAT the approval of the members be and is hereby granted for payment of fees of ₹ 20,000/- per meeting to any other non-executive director of the Bank who may be appointed as a member of the IT Strategy Committee from time to time for attending the meetings of the IT Strategy Committee;

RESOLVED FURTHER THAT the Board of Directors be and is also hereby authorized to revise the fees payable as above within the limits, if any, as may be prescribed by any statutory / regulatory authority from time to time.”

8. To consider, and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the applicable provisions of the Companies Act, 1956, and any other applicable laws, or any amendment or re-enactment thereof, and subject to the approvals, as may be necessary from the Reserve Bank of India and other concerned authorities or bodies and subject to the conditions as may be prescribed by any of them while granting such approvals, Mr. Aditya Puri be and is hereby re-appointed as the Managing Director of the Bank for the period commencing from April 1, 2013 up to October 31, 2015 upon such terms and conditions, including remuneration, as set out in the agreement to be entered into between the Bank and Mr. Puri, a draft of which is placed before this meeting and initialed by the Chairman for the purpose of identification, and which agreement is specifically approved and sanctioned with authority to the Board of Directors (hereinafter referred to as the “Board” which term shall be deemed to include the Compensation Committee of the Board of Directors) to alter and vary the terms and conditions of the said re-appointment and / or agreement (including authority, from time to time, to determine the amount of salary as also the type and amount of perquisites and other benefits payable to Mr. Puri), in such manner as may be agreed to between the Bank and Mr. Puri; provided however that the remuneration payable to Mr. Puri shall not exceed the limits specified in the said agreement;

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things and to execute any agreements, documents, instruments and writings as may be required, with power to settle all questions, difficulties or doubts that may arise in regard to the said re-appointment as it may in its sole discretion deem fit and to delegate all or any of its powers conferred herein to any director(s) and / or officer(s) of the Bank to give effect to this resolution.”

By Order of the Board

Sanjay Dongre
 Executive Vice President (Legal) &
 Company Secretary

April 18, 2012
 Registered Office:
 HDFC Bank House,
 Senapati Bapat Marg,
 Lower Parel (West),
 Mumbai 400 013

NOTES

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING ("Meeting") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE BANK.**

The instrument appointing a proxy in order to be valid and effective should be lodged / deposited with the Bank at its registered office at least 48 (Forty Eight) hours before the commencement of the Meeting.

2. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Bank a certified copy of the Board resolution authorising their representative to attend and vote on their behalf at the Meeting.
3. An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 relating to the items of special business to be transacted at this Meeting is annexed herewith.
4. Members / proxies are requested to bring duly filled attendance slips sent herewith to attend the Meeting.
5. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
6. All relevant documents referred to in this Notice are open for inspection by the members at the registered office of the Bank on all working days between 10.00 a.m. to 12.00 noon up to the date of the Meeting.
7. The Register of Members and Share Transfer Books of the Bank shall remain closed from July 1, 2012 to July 13, 2012 (both days inclusive) for determining the names of members eligible for dividend on equity shares, if declared at the Meeting.
8. Dividend as recommended by the Board of Directors, if approved at this meeting, will be paid on July 14, 2012 or thereafter to those members who hold shares :
 - a) In dematerialized mode, based on the beneficial ownership details to be received from National Securities Depository Limited and Central Depository Services (India) Limited as at the end of business on June 30, 2012.
 - b) In physical mode, if their names appear in the Bank's Register of Members at the close of business on July 13, 2012. The instruments of transfer in respect of shares held in physical form should be lodged with the Registrars and Share Transfer Agents so as to reach them on or before June 30, 2012.
9. Members holding shares in dematerialised mode are requested to intimate any changes in their address or bank account details (including 9 digit MICR Code and IFSC Code) to their respective depository participants with whom they are maintaining demat accounts.

10. Members holding shares in physical mode are requested to advise any change of address immediately to the Bank / Registrars and Share Transfer Agents, M/s. Datamatics Financial Services Limited, Plot No. B 5, Part B Crosslane, MIDC, Marol, Andheri (East), Mumbai 400 093 along with a self attested copy of their PAN Card and the copy of a Cheque leaf where an active Bank account is being maintained.
11. A brief resume of all the Directors including those liable to retire by rotation and proposed to be re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges in India, are provided in the Report on Corporate Governance forming part of the Annual Report.
12. Pursuant to the provisions of Section 205A of the Companies Act, 1956, the amount of dividend not encashed or claimed within 7 (Seven) years from the date of its transfer to the unpaid dividend account, is required to be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government. Accordingly, the unclaimed dividend in respect of the financial year 2003-04 was transferred to the Investor Education and Protection Fund. The unclaimed dividend in respect of the financial year 2004-05 must be claimed immediately, failing which it would be transferred to Investor Education and Protection Fund. In terms of the provisions of Section 205C of the Companies Act, 1956, no claim shall lie against the Bank or the IEPF after the said transfer.
13. Members can avail of the facility of nomination in respect of shares held by them in physical form pursuant to the provisions of Section 109A of the Companies Act, 1956. Members desiring to avail this facility may send their nomination in the prescribed Form No. 2B duly filled in to Datamatics Financial Services Limited, Plot No. B 5, Part B Crosslane, MIDC, Marol, Andheri (East), Mumbai 400 093. The prescribed form in this regard may also be obtained from Datamatics Financial Services Limited at the address mentioned above.

By Order of the Board

Sanjay Dongre
Executive Vice President (Legal) &
Company Secretary

April 18, 2012
Registered Office:
HDFC Bank House,
Senapati Bapat Marg,
Lower Parel (West),
Mumbai 400 013

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.

Item No. 6

Mr. Keki Mistry has obtained a Bachelor's degree in Commerce from the Mumbai University. A Fellow Member of the Institute of Chartered Accountants of India, Mr. Mistry is also a member of the Michigan Association of Certified Public Accountants, USA. Mr. Mistry started his career with The Indian Hotels Company Limited, one of the largest chains of hotels in India. In the year 1981, Mr. Mistry joined Housing Development Finance Corporation Limited (HDFC). He was inducted on the Board of Directors of HDFC as an Executive Director in the year 1993 and was elevated to the post of the Managing Director with effect from November 2000. In October 2007, Mr. Mistry was appointed as the Vice Chairman & Managing Director of HDFC and became the Vice Chairman & CEO of HDFC in January 2010. Mr. Mistry has a rich and varied experience in various matters relating to banking and finance and represents HDFC on the Bank's Board.

Mr. Mistry was appointed as an Additional Director of the Bank with effect from January 19, 2012 pursuant to Section 260 of the Companies Act, 1956 and holds office up to the date of the ensuing Annual General Meeting. Pursuant to Section 257 of the Companies Act, 1956 the Bank has received a notice from a member signifying his intention to propose the candidature of Mr. Mistry for the office of Director together with a deposit of ₹ 500/- (Rupees Five Hundred Only) as required under the said Act.

A detailed profile of Mr. Mistry including his directorships and Committee positions which he holds in other companies is also included separately in the Corporate Governance Report.

The Board of Directors (Board) recommends the passing of the resolution set out in Item No. 6 of the accompanying Notice.

Save and except Mr. Mistry, none of the Directors of the Bank, are in any way, concerned or interested in the resolution.

Item No. 7

Mr. Bobby Parikh is an Independent Director of the Bank. Mr. Parikh is an alumnus of the Mumbai University, a Chartered Accountant and a Senior Partner with BMR & Associates, a Chartered Accountancy firm. Mr. Parikh was appointed as a Director at the Annual General Meeting of the Bank held on July 6, 2011. Mr. Parikh is a member of the Audit & Compliance Committee, Compensation Committee and the Credit Approval Committee of the Board.

In April 2011, the Reserve Bank of India (RBI) issued guidelines on 'Information Security, Electronic Banking, Technology Risk Management and Cyber Frauds' and advised banks to set up

an IT Strategy Committee to look into various Information Technology related aspects. Accordingly, an IT Strategy Committee consisting of Mr. Bobby Parikh (Chairman); Mr. Paresh Sukthankar, Executive Director; Mr. Ram Bhagwat, external IT Specialist and Mr. Anil Jaggia, Group Head-Information Technology was constituted in September 2011. In this regard, it is proposed to pay fees to Mr. Parikh @ ₹ 20,000/- per meeting for services rendered by him as the Chairman and member of the IT Strategy Committee. It is also proposed that if there is any enhancement in the fees permitted by any statutory / regulatory authority from time to time, the same shall be paid to Mr. Parikh for attending IT Strategy Committee meetings. Members approval is also sought for payment of fees as above to any other non executive director(s) who may be appointed as the member(s) of the Committee from time to time.

Clause 49 of the Listing Agreement with the Indian Stock Exchanges provides that the fees / compensation payable by the listed companies to the non-executive directors, including independent directors, shall be fixed by the Board and shall require previous approval of the members.

The Board, accordingly, recommends the resolution for payment of fees as aforesaid with effect from September 28, 2011.

Save and except Mr. Parikh, none of the Directors of the Bank, are in any way, concerned or interested in the resolution.

Item No. 8

Mr. Aditya Puri has served as the Managing Director of the Bank since its inception. During his illustrious tenure spanning more than 17 (seventeen) years, the Bank has emerged as a leader in most of the business segments that it operates in.

Mr. Puri has provided outstanding leadership as the Managing Director and has contributed significantly to enable the Bank to scale phenomenal heights under his stewardship. The numerous awards won by Mr. Puri and the Bank are a testimony to the tremendous credibility that he has built for himself and the Bank over the years.

The Bank has made good progress on key parameters like balance sheet size, total deposits, net revenues, earnings per share and net profit during Mr. Puri's tenure. The rankings achieved by the Bank amongst all Indian banks with regard to market capitalization, profit after tax and balance sheet size remain amongst the top 10.

Considering his strong leadership, his achievements and his contribution to the Bank over the years, the Board of Directors have considered recommending the re-appointment of Mr. Puri for a further term commencing from April 1, 2013 to October 31, 2015. While his appointment would have come to an end on March 31, 2013, the Board has decided to recommend his re-appointment

well in advance and also extend the term, in order to prevent any undue speculation on successor related issues as well as to bring about certainty to the shareholders on the leadership of the Bank, which would in turn promote good corporate governance.

This early re-appointment would also enable the Bank to seek timely approvals from the regulators for completion of the process of re-appointment and implement its long term growth plans as well.

The main terms and conditions of the re-appointment of Mr. Puri as the Managing Director as set out in the draft agreement placed before this Meeting are as under:

The re-appointment of Mr. Puri as the Managing Director of the Bank shall be for the period commencing from April 1, 2013 to October 31, 2015.

The remuneration payable to Mr. Puri for the year 2013-14 with an annual increment of up to a maximum of 20% for every year thereafter during the currency of his term is detailed hereunder:

Particulars	₹ in lacs per annum
Basic Salary	238.05
Allowances@	84.74
Total	322.79

@ Allowances would be inclusive of entertainment, servants / gardener, books & periodicals, gas & electricity etc. Inter-se allocation as recommended by the Compensation Committee.

Mr. Puri shall also be entitled to an annual performance bonus as may be determined by the Board / Compensation Committee of the Board in terms of the Compensation Policy of the Bank and in terms of the Guidelines of the Reserve Bank of India on the Compensation of Managing Directors / Whole Time Directors, etc.

Mr. Puri shall continue to be eligible for perquisites inclusive of residential accommodation, hard furnishings, use of cars provided and maintained by the Bank, telephone at residence, club memberships or allowances in lieu thereof, medical reimbursement, medical and personal accident insurance, housing and personal loans, travel allowance, leave travel concession and other benefits in accordance with the scheme(s) and rule(s) applicable to the employees of the Bank from time to time for the aforesaid perquisites and benefits. The perquisites shall be evaluated as per the Income Tax Rules, 1962 wherever applicable or at actual cost to the Bank.

Mr. Puri shall also be eligible for retiral benefits like provident fund, superannuation and gratuity as per relevant policies / schemes / rules of the Bank. He will also be entitled to other retiral benefits in the form of housing, medical allowances / re-imbursements

and use of car in accordance with the policies / schemes / rules as approved by the Compensation Committee of the Board from time to time.

In view of the RBI Guidelines and to ensure flexibility between fixed and variable pay, suitable adjustments may be made in various individual components of compensation viz., Basic pay, Allowances, Variable pay, Deferrals thereof, etc. while maintaining the aggregate of the various components as constant in compliance with the Compensation Policy of the Bank, the said RBI Guidelines or in compliance with any suggestions that RBI may have in this regard.

Mr. Puri, as the Managing Director, shall also be eligible for stock options under the Employee Stock Option Schemes as may be approved by the Compensation Committee of the Board from time to time and to avail of stock options already granted to him as an employee, subject to the necessary approvals from the RBI.

In case of absence or inadequacy of profit in any financial year, the aforesaid remuneration and perquisites shall be paid to Mr. Puri as minimum remuneration.

In case the services of Mr. Puri are terminated by the Bank without any default / breach on his part, he shall be entitled to receive as termination allowance an amount equal to the salary, perquisites and benefits that he would have otherwise received for the remainder of his tenure, had the said services not been terminated.

A brief profile of Mr. Puri is provided in the Corporate Governance Report. Mr. Puri is not related to any director of the Bank.

The Board recommends the passing of the resolution set out in Item No. 8 of the accompanying Notice.

The above may be treated as an abstract of the terms of re-appointment of Mr. Puri pursuant to Section 302(2) of the Companies Act, 1956.

Save and except Mr. Puri, none of the Directors of the Company, are in any way, concerned or interested in the resolution.

By order of the Board

Sanjay Dongre
Executive Vice President (Legal) &
Company Secretary

April 18, 2012
Regd. Office:
HDFC Bank House,
Senapati Bapat Marg,
Lower Parel (West),
Mumbai 400 013.