HDFC BANK
We understand your world

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Transcript of the 31st Annual General Meeting of HDFC Bank Limited held on August 08, 2025

Mr. Ajay Agarwal – Company Secretary, HDFC Bank Limited:

Good Afternoon, Dear Shareholders. I, Ajay Agarwal, Company Secretary of HDFC Bank Limited, welcome you all to this 31st Annual General Meeting (AGM) of your Bank. I, on behalf of the Board of Directors and the management, appreciate your continued support. Pursuant to the provisions of the Companies Act, 2013 and circulars issued by the Ministry of Corporate Affairs (MCA) and the Securities and Exchange Board of India (SEBI), this meeting is being held through two-way video conferencing.

A live webcast of the proceedings of this meeting is also provided on the website of the Bank. The statutory registers as required under the Companies Act, 2013 and other relevant documents mentioned in the notice of the AGM are available electronically for inspection. Shareholders who wish to inspect such documents may send their requests to the email address mentioned in the notice of the AGM.

While we had provided remote e-voting facility to shareholders, the said facility is also available during this AGM. Shareholders who have not yet cast their vote, may cast the same during the meeting. The process for e-voting is already explained in detail in the notice of the AGM. Please note that shareholders who have already voted on the resolutions by way of remote e-voting will not be able to vote again at the AGM.

Participation of shareholders through video-conferencing is being reckoned for the purpose of quorum and accordingly, I wish to inform you that the requisite quorum for this AGM is present. The Integrated Annual Report for the financial year 2024-25 and the notice convening this AGM had been sent to you in advance, through permissible modes and are also available on our website. I am pleased to announce that the joint statutory auditors as well as the secretarial auditors have given unqualified reports. Accordingly, I take the said audit reports as read. With your permission, I shall also take the notice convening this meeting as read.

Now, without any further delay, I request Mr. Atanu Chakraborty, Part-time Chairman and Independent Director of the Bank to continue with the proceedings of the meeting. Thank you. Over to you, Chairman Sir.

Mr. Atanu Chakraborty – Chairman, HDFC Bank Limited:

Thank you, Ajay. Esteemed shareholders, fellow members of the Board and senior management of the Bank, I welcome you to the 31st Annual General Meeting of HDFC Bank Limited. Let me start by introducing the members of the Board who are participating in this meeting through video conferencing:

- Mr. Keki Mistry, Non-Executive Director and Chairman of the Stakeholders' Relationship Committee of the Board
- Mr. Sashidhar Jagdishan, Managing Director and Chief Executive Officer
- Mr. M. D. Ranganath, Independent Director and Chairman of the Audit Committee of the Board
- Mr. Kaizad Bharucha, Deputy Managing Director
- Mrs. Renu Sud Karnad, Non-Executive Director
- Dr. (Mr.) Harsh Kumar Bhanwala, Independent Director and Chairman of the Nomination and Remuneration Committee of the Board
- Mr. Bhavesh Zaveri, Executive Director
- Mr. V. Srinivasa Rangan, Executive Director
- Dr. (Mrs.) Sunita Maheshwari, Independent Director
- Mrs. Lily Vadera, Independent Director
- Mr. Sandeep Parekh, Independent Director
- Mr. Santhosh Keshavan, Independent Director

I also take this opportunity to welcome Mr. Santhosh Keshavan, who was appointed as an Independent Director of the Bank with effect from November 18, 2024.

Also present are:

- Mr. Srinivasan Vaidyanathan, the Chief Financial Officer of the Bank;
- Representatives of the Joint Statutory Auditors of the Bank for financial year 2024-25, M/s. Batliboi & Purohit, Chartered Accountants and M/s. Price Waterhouse LLP;
- Secretarial Auditors for the Bank for financial year 2024-25, M/s. BNP & Associates; and
- The legal counsels of the Bank.

As confirmed by the Company Secretary, the quorum of the meeting is present. With the permission of the members, I call this meeting to order.

The integrated annual report together with audited financial statements and the director's report for the year ended March 31, 2025, have already been shared with you and with your consent, I take them as read.

Dear shareholders, more than two years have passed since we undertook the strategic initiative of merging HDFC with and into HDFC Bank, creating the HDFC Bank Group as a consolidated conglomerate. I am happy to state that, we have successfully completed the integration of the two entities and leveraged the business strengths and culture of both the institutions, creating a much stronger, resilient organization. I am grateful to the shareholders who have reposed immense faith and trust in us during the process.

HDFC Bank Group has now emerged as a financial conglomerate comprising 14 subsidiaries of the Bank, offering a suite of financial products and services from across the group companies, ranging from banking, brokerage, insurance, mutual funds, in addition to the flagship home loan product that has now come into the Bank's fold. Almost 90% of our branches are now actively offering home loans to customers.

Your Bank today has a customer base of over 9.7 crore. Your Bank serves them through 9,455 branches, 15,399 business correspondents and multiple digital channels. Over half of our branches are in the semi-urban and rural areas, facilitating wide coverage and accessibility to essential financial services. Our commitment to serve customers across segments and across geographies remains steadfast.

Macro-economic outlook:

The global economic environment is at present characterized by uncertainty, unpredictability and uneven growth. Major economies showed signs of slowing down, with global GDP growth at 3.3% for the year 2024. The geopolitical tensions in several parts of the world continue to affect global supply chains and commodity prices. Imposition of unilateral tariffs by a certain country is disturbing global trade regime. The projected global growth by IMF of 3.0% for the year 2025 does not look robust with the uncertainties on trade and geopolitics. We need to monitor the developments closely, particularly for their potential impact on funding conditions, market stability and global economic outlook.

However, we are happy to note that India remains amongst the best performing major global economies. Last fiscal, real GDP growth moderated to 6.5% following an average of 8.8% over the previous three financial years. This can be attributed to base effect, modest aggregate demand and spillovers of global uncertainties. We also witnessed softening of urban demand. Fixed investments stayed modest. Foreign capital inflows also weakened in the latter half of the year, reflecting global uncertainty.

Even so, domestic growth has found meaningful support in rural demand that is backed by favorable monsoon conditions and a strong harvest. Exports grew by 6.3%, led by services, with global capability centre continuing to expand. Construction and services remained robust, expanding above

9% and 7% respectively. Manufacturing, however, showed a slow down. Looking ahead, multiple domestic tailwinds are expected to support growth. RBI has projected growth to be 6.5% for FY 2026. The drivers for the growth would be low inflation and in medium term, impact of government spend on infrastructure and a large unmet demand for housing, particularly for affordable housing.

India being a part of diversified global value chain as well as robust public infrastructure and consequent formalization of economy, provides a strong foundation for credit growth in spite of external risks. Time has come for the private sector to do the heavy lifting by not just waiting for uptick in the demand but rather innovating on product design, implementing cost efficiency, and improving delivery systems for myriad product that they offer.

Friends, let me take you to the IPO of HDB Financial Services Limited (HDBFS), that is one of the subsidiaries of the Bank. Last year we took the strategic decision to list HDB Financial Services Limited and initiated the necessary process. This also addressed the requirement mandated by the Reserve Bank of India (RBI). In July 2025, HDBFS became the fourth company in the group to be listed after successful conclusion of the IPO. The divestment of the Bank's shareholding in HDBFS, by way of offer for sale as part of the IPO provided the Bank with a pre-tax surplus of Rs. 9,128.40 crore which was reported in our results for the first quarter of financial year 2025-26. As on date, the Bank holds 74.19% equity stake in HDBFS.

Our shareholders have reposed their trust in the Bank and have been patiently supporting the enterprise's endeavors. Now, time has come to share certain outcomes. The Board of your Bank approved issuance of one bonus equity share for every one equity share held by eligible shareholders of the Bank as on record date, which is August 27, 2025. This is subject to shareholders' approval which is being separately obtained by way of Postal Ballot. Also, the Board at its meeting held on July 19, 2025, approved a special interim dividend of Rs. 5 per equity share (before the bonus issuance) to the shareholders as on record date set for this purpose, i.e. July 25, 2025.

The Bank has approached the regulators for capitalization of reserves for issuance of bonus shares and change in the capital clause of Memorandum of Association pursuant to increase in authorized share capital. We believe that bonus issue would make equity shares of the Bank affordable to a larger class of shareholders as well as increase its liquidity.

Performance of your Bank for the year 2024-25:

The results for the year ended March 31, 2025, reflect first full year of operations of the Bank as a merged entity. The Bank has stayed anchored in its philosophy of growth with stability. During the year, the Bank focused on operational alignment across the merged entity, maintaining performance stability, balance sheet optimization and strength. Our approach remained centered on risk-calibrated growth, prudent provisioning, disciplined execution, thereby growing deposits and profitable loan growth. On account of various measures taken, including compression of credit growth, CD ratio now stands at roughly 96%.

Let me highlight some of the key highlights of our reported performance. As on March 31, 2025, the Bank's balance sheet was over Rs. 39 lakh crore growing 8.1% over the previous year. Total deposits increased 14.1% with continued traction in retail deposits and advances grew by 5.4%. Net interest income rose by 13.0%. Profit after tax stood at Rs. 67,347 crore representing a 10.7% increase over the previous year. Return on average net worth was 14.56% and earnings per share stood at Rs. 88.29. Asset quality remained stable. Gross Non-Performing Assets (NPAs) were at 1.33% and net NPAs at 0.43%. Provisioning levels have remained as always, conservative and continue to be well above regulatory requirements.

The Board proposed a dividend of Rs. 22 per equity share with a face value of Re. 1. This does not include the interim dividend which is for the year 2025-26, which I have read out earlier. This accounts for approximately 25% of the profits for financial year 2024-25. These are in alignment with our Dividend Distribution Policy. The proposal for final dividend forms part of notice convening this AGM and approval of the shareholders has been sought for the same. Payment of this final dividend would be made along with the special interim dividend, i.e. on August 11, 2025.

Governance:

As we grow larger, we are conscious of our enhanced responsibility towards our large stakeholder base. The Bank has created a dedicated Group Oversight Department, reporting to Executive Director of the Bank which periodically updates the Board on critical matters. This enables the Board to maintain sharper visibility over risk, compliance, audit and conduct across the group. However, each entity continues to remain responsible and accountable for its operations. Your Bank remains committed to upholding highest governance standards in risk management, audit and compliance. Our robust frameworks ensure that all operations are conducted with transparency, accountability and in strict adherence to regulatory requirements. Our effort has been to identify and address any transgression and incentivize adherence to our cherished values of governance, risk management and high standards of customer service.

Technology:

The Bank is continuously attempting to leverage technology to enhance the quality of its service to customers. A significant part of our customer onboarding, servicing and financial transactions originate digitally. In FY 2025, we have made progress across key identified pillars of technology, viz. journeys, channels, core, data, and security. This has enhanced user experience, responsiveness and resilience. Generative AI or Gen AI as we all know it, presents a game changing opportunity to businesses and your Bank is leveraging this for improving customer service and operational efficiencies, while we are also mindful of having suitable guardrails in place, ensuring that neither information security nor data privacy is compromised in the process.

Financial inclusion:

Digital public infrastructure put in place in India with the trinity of Jan Dhan, Aadhar and Mobile that completes its 10 year this date, has led to massive progress towards financial inclusion, by taking banking and financial products to a large number of people. Your Bank has been very well placed in participating in this paradigm shift through its digital and mobile banking applications. During the year, digital transactions volume increased by 438 billion, which is a 31% increase over last year. We also steadfastly grew our lending to the priority sector, thereby financing agricultural activity, livelihoods of small and marginal farmers, weaker sections of society. We are also a leading provider of finance to the MSME sector, which is the backbone of Indian economy.

CSR & ESG:

In FY 2025, we spent over Rs. 1,000 crore on CSR. The funds were deployed towards projects undertaken within the key areas of focus such as education, rural development, skill development and livelihood, health care and hygiene, financial literacy and natural resource management. On the ESG front, we remain on track to reducing our carbon footprint with progress visible in areas including resource efficiency, climate resilience and responsible lending. We remain committed to responsible growth and sound governance.

People:

Over 2,14,000 employees spread across the country remain the Bank’s biggest strength. They have, as always, gone the extra mile in the year gone by. I am happy to share that today women comprise over a quarter of our workforce with the gender diversity ratio standing at 26.1%. We take a concerted approach to ensure that the remuneration of our people is linked to their performance and adherence to the Bank’s values and objectives are incentivized. The Government and regulatory institutions have provided tremendous strength and stability to the financial services sector by their policy actions and interventions in an environment of global macroeconomic uncertainty and policy shifts.

On behalf of the Board of HDFC Bank, I would like to acknowledge the support and guidance of all regulatory institutions that have oversight on the Bank and its subsidiaries. I would particularly like to thank RBI for its support and guidance, and SEBI, IRDA, and the stock exchanges for their continued support. Our sincere thanks to our shareholders and customers for reposing trust in the Bank. Their confidence, together with the commitment of our employees, continue to define the strength and stability of this institution. We remain focused on meeting the needs of all stakeholders with care and accountability.

Friends, a week to go as India marks its 78th year of Independence on August 15, 2025. I wish you all a very Happy Independence Day and a very Happy Janmashtami. Your Board joins me in wishing you continued well-being, happiness and a prosperous festive season. Jai Hind.

We appreciate that this day belongs to our shareholders to share their thoughts and comments with the Board and the senior management of the Bank. However, in order to give opportunity to all the speaker shareholders who have registered themselves and in the interest of time, I humbly request the speaker shareholders to keep their comments brief and restrict their questions to the performance of the Bank for the financial year 2024-25 and resolutions proposed to be passed at this AGM.

We request each speaker shareholder to therefore limit their speech to three minutes please. We will respond to all the questions or queries of the shareholders at the end. If you require any further clarification or have any query, you may get in touch with our Company Secretary, Mr. Ajay Agarwal or his team. I now request the moderator to kindly invite the speaker shareholders in order of their registrations please.

Moderator:

Thank you, Sir. A warm welcome to all the speaker shareholders. I will call out the names of the speaker shareholders in the sequence of their registration. As requested by the Chairman, in order to give an opportunity to all the shareholders who have registered to speak at this AGM, I urge speaker shareholders to restrict their speech to three minutes please.

We will admit you to the meeting at your respective turn and thereafter, you may start speaking by unmuting your microphone. Request you to keep your video on as well while speaking. However, in case there is any issue with internet connection or bandwidth at your end, you may switch off your video. Our first speaker shareholder is Mr. Praful Chavda.

Mr. Praful Chavda – Shareholder:

Sir, thanks for the bonus. Your speaker registration process is very good.

People have illegally created duplicate Adhaar cards, PAN cards and also get the loans from banks, so my suggestion is that when you open an account for someone, when he remains for five years or 10 years in the same place, please do the verification so that we do not give the loan to the wrong person. For senior citizens, they get extra interest on fixed deposits, I suggest that the retired army men who have savings of at least 15 lakh to 20 lakh should get special rate of interest. and poor lady who have only 2 to 3 lakh they should also get more interest. Likewise, small children below the age of five, be given additional interest benefits. I have seen in the loan recovery, you cannot get back the house but if it is a two-wheeler or four-wheeler, the Bank repossesses it and keeps it in the godown. and after two years there is no return and sometimes the parts are not there. So the auction should be held immediately. My suggestion is that you go to the home of that person and do the auction. You publish give it in the paper that there is an auction at this place. Go to his house and do the auction. I came to know for a bank manager that your bank closes at 8:30 pm and you do not make the employees sit for a long time. Managers make the people to keep working and small employees have trouble going home and they cannot say no and they have to stay but you have strictly given the orders so it is good.

The number of ATMs have decreasing. First when I used to see there was a big line at ATMs. Nowadays, there is no line, so are you going to increase the ATMs or decrease the ATMs which are not profitable? Do not give time more than three minutes so the other speakers will find it difficult. If my three minutes is over you can cut it. Sir your bank is the best among all the banks. Very good Sir. You are doing a good work. I thank your staff also. Thank you, Sir.

Moderator:

Thank you very much Mr. Chavda. I now invite our second set of speakers, Mrs. Sushma Chanda and Mr. Ankur Chanda.

Mr. Ankur Chanda – Shareholder:

Good afternoon everyone. I would like to say that the Bank is working well and the profit is also good but in your working there is some lag. All the account holders data is leaking and your DSAs are giving it to third party and they keep bothering us even if our number is in DND and say unnecessary things. When we complaint about the same to Bank, Bank deny saying that we do not have any connection with them and they are not the employees of Bank.

even I have complained to the bank and sent a mail but there is no response from anywhere. When there is an was AGM, then the branch manager is calls and says, if you had some problem, please tell me about that? But from for the last six months I did not receive have any revert.

How do you run the banking so that the customer has so much problems, Another thing I would like to ask is that, you if I go to in my home branch and I deposit Rs. 500, Bank staff asks me that why is Rs.500 getting deposited and the teller tells me to write the reason, because if you have to write it down but if I deposit Rs. 1000, then there is no need to write the reason. There is no guideline from the RBI. Thank you.

Moderator:

Thank you very much Mr. Ankur Chanda. We move on to our third speaker shareholder, Mrs. Rama Jain.

Mrs. Rama Jain – Shareholder:

Mrs. Rama Jain along with her husband (being joint holder) joined the meeting.

Good afternoon, Chairman Sir, Board of Directors and the shareholders attending this meeting through this virtual platform. An excellent speech was given by the Chairman wherein he discussed about the road map for future plans and strategy for the Bank. I would also like to congratulate the management for excellent results given during the year under review. The annual report and the financial statements are very transparent, including the process of speaker registration. This is an excellent example as soon as we register on the link for the speaker registration we got the serial number as well on the email. There is no question about the credibility of the annual report. My question is that whether the Bank is going to acquire any micro-finance Bank in India to expand its business in the near future? Lastly, I would also like to congratulate and thank the Company Secretary and his entire team for giving us this opportunity to share my views in front of the management.

The share price of the Bank is at all-time high and with the bonus issue announced, our equity value will be doubled in coming days, so thank you very much to the management for all the decision making. Thank you and all the best Sir.

Moderator:

Thank you very much Mrs. Jain. I now invite speaker shareholder number four, Mr. Manoj Kumar Gupta to share his thoughts with us.

Mr. Manoj Kumar Gupta – Shareholder:

Good afternoon respected Chairman and Board of Directors. Myself Manoj Gupta and I have joined this meeting from my residence in Kolkata. I feel proud to be a shareholder of the Bank. Thanks to you and your team for the excellent results and to the Company Secretary and his team, who helped us join this meeting through VC. Thanks for dividend, bonus in the ratio of 1:1 and thanks for coming up with the IPO of HDB Financial Services Limited. I would like to know about the Bank's future plans and how Bank will split the wings of ATMs and branches in rural areas.

The younger generation carries debit and credit cards instead of cash nowadays, hence I suggest the Bank to open ATMs near hospitals, stations, metros and the malls. I strongly support all the resolutions and I am very happy to see Mrs. Renu Karnad on the Board of the Bank, as I am a great admirer of both Mr. Deepak Parekh and Mrs. Renu Karnad. I strongly support the resolutions. Thank you, Sir.

Moderator:

Thank you very much Mr. Gupta. We move onto speaker shareholder number five, Mr. Gautam Kedarprasad Tiwari.

Mr. Gautam Tiwari – Shareholder:

Sir your opening speech was so nice and deliberate that we could understand the total working and the total status of the bank from your end. Good afternoon honorary Chairman, Board members, Key Managerial Personnel and my fellow shareholders, I am Gautam Tiwari and I am participating in this meeting from Mumbai. I am a proud shareholder of your Bank. I wish to express my deep appreciation for the consistent excellence that the Bank has displayed throughout the years. Thank you very much sir for paying handsome dividend and the bonus in the ratio of 1:1.

I would like to begin by complementing the Board, the leadership team and all the employees for integrating transparency and visionary leadership. Your commitment to maintaining the Banks' culture, prudence performance and purpose is quite evident. The successful merger with HDFC Limited is a monumental achievement as it showcases the strategic foresight, robust execution capabilities, and an unwavering commitment to creating long term values for all stakeholders. I would also like to appreciate the digital transformation initiatives undertaken especially AI-based customer services and also the process automation, which has significantly enhanced customer experience. As far as investor services of secretarial department is concerned, our Company Secretary along with his team and other associates, are very kind, polite, respectful and helpful to all the shareholders. I have few questions:

- How the post-merger integration with HDFC Limited has been progressing operationally?
- Any plans to collaborate with fintech or invest in AI driven financial tools to further strengthen digital banking experience?
- How the Bank is aligning its lending and investment strategy with its ESG goals?
- Does the Bank receive any fees from its subsidiary for using its logo and what is the basis of the amount received?
- Why did the Bank appoint joint statutory auditors?
- What are the steps taken towards becoming carbon neutral?

- With the increase in cyber security risk, what is the safeguard that is taken by the Bank to protect the customers' financial information?
- How many branches and ATMs are there at present?
- What is the impact of the global political scenario and the rising inflation on our Bank?
- How was the IPO price of HDB Financial Services Limited determined?
- Can the Bank split the face value of its equity shares?
- What is the percentage of women employees as on March 31, 2025?
- What is our attrition rate and how many new employees have we added in FY 2024-25?
- Are we laying off employees similar to TCS?

To conclude, I would like to state that I very strongly support all resolutions. We have unwavering trust, confidence and faith in the management, hence our continuous lifetime unconditional support is always assured to the Bank. I wish and pray for very healthy, wealthy, long safe life, happy life to each member of the Management, all the employees, executives and all the shareholders and all the those who are connected with our bank in some way or the other. I also give best of compliments for all upcoming festivals. Jai Hind. Vande Mataram. Jai Shri Krishna.

Moderator:

Thank you very much Mr. Gautam Tiwari. We move onto speaker shareholder number six, Mrs. Suman Modak.

Mrs. Suman Modak – Shareholder:

Respected Chairman and other Board of Directors, I am Mr. Sujan Modak, a joint holder with Mrs. Suman Modak. The performance of our Bank is very good. As performance you have already explained a lot in your opening remarks, most of our questions have got nullified here. I have got only two questions Sir. Can you please provide insights on the future outlook of our Bank for next two years and operational guidance particularly for this year. Before I finish, I would like to thank our Company Secretary and his whole team for providing excellent investor services to the investors. Thank you very much.

Moderator:

Thank you very much Mr. Sujan Modak. We move onto speaker shareholder number seven, Mr. Santosh Kumar Saraf to share his thoughts with us.

Mr. Santosh Kumar Saraf – Shareholder:

Respected Chairman, all members and employees, I Santosh Kumar Saraf from Kolkata, welcome you all. I wish all the Directors and all the employee good health. Sir, I want to thank all the employees because, due to their hard work, HDFC Bank is delivering such a good result. I would also like to thank the employees' family who have been the backbone by which they deliver a good performance in their work for our company. I thank the Company Secretary of the Bank and his team who are in touch with us, their service is the best.

Firstly our interest rate has gone down in fixed deposit, and all the fixed deposit are moving out, redemption is happening but it is not developing. Fixed deposits are retained but they are not getting renewed and all the money is going to mutual funds so what can we do to bring that back so that the money comes to the bank.

Secondly, our government focusing on investment in northern eastern states like Meghalaya, Arunachal, Assam and the infrastructure is being developed and new factories and industries are coming up there. People are investing in Assam and Meghalaya so what is the plan of our Bank in that area. There are many hill stations and what is your programme please tell us about that. With regards to technology, for data protection what do you do? Our account details are being given to third party and they phone and tell us that this is blocked and we find it very difficult and many times there are women who cannot understand, they get the OTP and our money gets deducted so what steps are you taking for that.

I thank everyone and wish all the best to the Bank.

Moderator:

Thank you very much Mr. Saraf. I now invite our shareholders Mrs. Celestine Elizabeth Mascarenhas and Mr. Aloysius Peter Mascarenhas to share their thoughts with us.

Mrs. C. E. Mascarenhas – Shareholder:

Respected Chairman, Mr. Atanu Chakraborty, other members of the Board and my dear fellow shareholders, I am Mrs. C. E. Mascarenhas speaking from Mumbai. First of all, a big thanks to our Company Secretary and his team for sending me an annual report and also registering me as a speaker at my request. I am always happy with the Bank's services.

Our annual report is full of information, facts, figures and at the same time self-explanatory and adhering to all the norms of corporate governance. The deposits, advances, CASA are up, EPS is also

up and a very good dividend of Rs. 22 was announced this year along with 1:1 bonus issue and Rs. 5 as a special dividend.
I only hope that once this bonus hits, our market capitalization should remain the same. Congratulations for all the awards and accolades received during the year. I am proud of the ESG initiatives and CSR activities carried out by the Bank.

Now my queries are:

- What is total spending on AI and Gen AI and other tools? I am very happy to know that out of 2,14,521 employees, 26.1% are women. I do not wish that AI takes away their job. How much of our business is online as compared to offline?
- How much is the gold loan book?
- Are there any further listings in pipeline similar to listing HDB Financial Services Limited?
- What is the future roadmap for the next three years? Which vertical will be the growth engine driver along with good margins?

I support all the resolutions. I wish you and the entire team a very good health. Thank you so much for patiently hearing me, namaskar. I handover to Mr. Aloysius Mascarenhas.

Mr. Aloysius Mascarenhas – Shareholder:

Respected Chairman Sir, very distinguished members of the Board and my fellow shareholders, good evening to you all, my name is Aloysius Mascarenhas. At the outset, I thank the management, Company Secretary and the team for sending such a voluminous, illustrative, informative and transparent annual report full of facts and figures in place. Results have been good year after year. The profit before tax, profit after tax, dividend payout, EPS, book value, etc. all the financial parameters are consistently going up, as clearly mentioned in the 10-year financial highlights.

Our results this year is also excellent and with bonus of 1:1 and additional Rs. 5 special interim dividend apart from the final dividend of Rs. 22. I am a proud shareholder of the Bank which is very near and dear to me. Are there any future plans for any takeover, amalgamation and demerger? With this, I would end my speech wishing you, the Board members and more importantly all the employees, all the very best in the days and years to come. Thank you very much for patient hearing. Good health, good luck and good bye.

Moderator:

Thank you very much Mrs. Celestine Mascarenhas and Mr. Aloysius Mascarenhas. We move on to speaker shareholder number nine, Mrs. Lekha Satish Shah.

Mrs. Lekha Shah – Shareholder:

Respected Chairman Sir, Board of Directors and my fellow members, good afternoon and regards to everyone, myself Lekha Shah from Mumbai. First of all, I would like to thank our Company Secretary, and his team for giving me this opportunity to speak in front of you all. I got the Annual Report and I am delighted to say it is so beautiful, full of colors, facts and figures. Chairman Sir, your opening remarks were so insightful and comprehensive that you have already addressed everything I had in mind. I am proud to be a shareholder of this company. Thanks for the dividend.

I would like to congratulate all the people of Bank for receiving awards and recognition during the year 2024-25, and I am also happy the Bank is doing very well in CSR activities. I would like to ask three questions. What synergies have we realized post-merger and what is the expected cost and revenue? How is the Bank safeguarding increasing cyber threats? I would like to say I strongly and wholeheartedly support all the resolution for today's meeting. Thank you, Sir.

Moderator:

Thank you very much Mrs. Lekha Shah. I now invite Mrs. Hutokshi Sam Patel to share her thoughts with us.

Mrs. H. S. Patel – Shareholder:

Very good afternoon to all of you. Today I stand before you at this juncture being a very happy and proud shareholder. This is the 31st AGM with a share price quoted at Rs. 1,975, and you are paying us a dividend of Rs. 22 and also interim dividend of Rs. 5, going up to Rs. 27.

This year we will be celebrating the 78th Independence Day on August 15, 2025. Thank you for the bonus that you have given us in the ratio of 1:1. In every aspect, the Bank is doing fairly well. I want to understand why Mr. Atanu Chakraborty was appointed as a part-time Chairman and not whole-time Chairman? We have Mr. Sashidhar Jagdishan, the MD and CEO of our company, Mr. M. D. Ranganath and Mr. Keki Mistry, the man who transformed HDFC into the financial service conglomerate. I am also thankful to Mr. Srinivasa Vaidyanathan, the CFO, for the good financial report that you have given, and to the Company Secretary who is very helpful and supportive. I wish the Bank all the best for the various accolades and awards, especially the Golden Peacock Award for best organization and the best Bank.

The CSR report is also very good. The amount required to be spent was Rs. 1,060 crore. You have already spent Rs. 1068.03 crore, a surplus amount which you will carry forward. The financial performance of the Bank has been extremely good, especially profit and income. Sir, the net income is almost Rs. 1,22,670 crore, with a net profit of Rs. 73,440 crore, and the revenue is reaching

1,68,000 crore. The investments have shot up to almost Rs. 8,36,359 crore and return on equity is also almost 14.6%. However, the bank balance has come down from Rs. 1,05,557 crore to Rs. 50,115 crore. May I know the reason for this please?

Sir, this is my personal request to all the top management team; after every five transactions, we are charged Rs. 21; can this be revisited. Now I come to my questions: How are we improving our capabilities in AI, machine learning, and cyber security? Can we now say that all our legacy issues due to mega merger are resolved? What is the future growth trajectory for the Bank and what integration synergy we have achieved so far? With the tariff pressure, various rate cuts and fluctuating forex at all time high, how are we forecasting such risks? What are the plans for the future delinquency by MSME and retail segments? Are we providing higher provisions due to stress in this segment and what is our risk appetite towards unsecured personal loans? What percentage of transaction and customer acquisition are digital? Are we still moving ahead with the plan of opening more branches and increasing our physical presence? Thank you very much to all. I wish you all good luck and I certainly support all the resolutions. I wish the Bank all the very best.

Moderator:

Thank you, Mrs. Patel. I now invite shareholder number 11, Mr. Adil Polad Irani to share his thoughts with us.

Mr. Adil Polad Irani – Shareholder:

I am a proud shareholder of HDFC Bank. Thank you for giving me the opportunity to speak. Thanks to the secretarial department for taking care of us as a shareholder. They are the link between the shareholder and the Bank, and they have been very helpful.

I miss Mr. Deepak Parekh and of course Mr. Kaizad Bharucha is still there and you all are managing the Bank on our behalf and of course how can I forget Mr. Keki Mistry. They all stalwarts in this banking industry, so thanks to them. My only request to you Sir is that, we should have an auditor at every branch who shall supervise the workings of that branch.

Thank you very much for the bonus, Thank you Sir. Have a good day and happy festivals.

Moderator:

Thank you, Mr. Irani. We move on to speaker shareholder number 12, Mrs. Homayun Beruz Pouredehi.

Mrs. Homayun Pouredehi – Shareholder:

Sir we have heard your speech in detail and we have been shareholders right from day one. Being shareholders of HDFC Bank, we used to continuously meet Mr. Keki Mistry, Mr. Deepak Parekh, who have brought up our Bank, and we have benefited a lot.

Now I just have a few questions to ask. Sir, regarding branch expansion, which is highly appreciable – does the Bank own the premises of the branches or they are on rental? How much time does it take for a branch to break-even? Does it depends on the area?

I also want to say, the current Company Secretary is the best person for the job he is holding at present. We know him, previously, he was the company secretary in HDFC Limited. He is a good person, a sincere person, very polite, exactly the way a Company Secretary should be. We appreciate him, and we wish him a long innings in our Bank. We thank you very much for all the Bank has done for us, right from day one till now and will continue to do so of course. Thank you very much.

Moderator:

Thank you, Mrs. Pouredehi. I now invite speaker shareholder number 13, Mr. Hiranand Kotwani to speak.

Mr. Hiranand Kotwani – Shareholder:

Respected Chairman, other dignitaries attending this meeting and my fellow shareholders. Mr. Atanu Chakraborty, you are part-time Chairman but narrated the whole bank operation well. We are lucky we have got this management, because as compared to other Banks, our performance is best.

Now, coming to the point of the business operations; how will the Bank cope with its NPAs? I want the actual NPA figure, particularly our exposure to the housing sector? What is our internal policy regarding whistleblower policy and anti-bribery? How many sexual harassment cases were reported? The Bank can be number one in the years to come, not only in India but also in the world. So what is the vision and mission to tackle the world finance? Thank you and good luck.

Moderator:

Thank you very much Mr. Kotwani. Speaker shareholder number 14 is Mrs. Swaran Lata. Madam could you kindly unmute your microphone and speak.

Mrs. Swaran Lata – Shareholder:

Good afternoon, Chairman Sir, Board of Directors and the other shareholders attending this meeting through virtual platform. Excellent speech given by Chairman Sir; he informed us about the comprehensive journey leading to sustainable growth, as well as about the future road map. I would also like to congratulate the management and whole staff including the field staff for their hard work during the year under review. Our total income has increased by around 15% and profit by around 10%, in spite of the intense competition in banking sector where new private banks have opened in the last few years. I have full faith in the management. The shares in the market are also trading at a good price. The management has recommended a final dividend of Rs. 22 per equity share of face value of Re. 1 each for the shareholders.

Most of my questions are cleared in the speech, but my one additional question is that – few days back we completed the IPO of HDB Financial Services Limited (HDBFS). In this regard, how much holding does the Bank have in HDBFS, and how would the business of the Bank be affected after the expansion of HDBFS in domestic market?

Lastly, I would like to convey my thanks to the Company Secretary and his entire team for helping me to join the VC on this platform to share my views in front of the eminent management, and also for providing the copy of annual report at my single request. Thank you, Sir, and all the best.

Moderator:

Thank you very much Madam. Let us move on to speaker shareholder number 15, Mrs. Sonaxi Sarangi.

Mrs. Sonaxi Sarangi – Shareholder:

Respected Chairman and the esteemed Board members, I hope you and your loved ones are doing safe. My name is Sonaxi Sarangi, a shareholder from Kolkata. Sir, I have already sent my queries over an email. Hence, I do not have any further queries to ask today. I am hopeful that we will be continuing this virtual conference for the upcoming years as well, this is very convenient for us to join from across India. Thank you.

Moderator:

Thank you very much Madam. We move on to our next shareholder, number 16, Mr. Anil Babubhai Mehta.

Mr. Anil Babubhai Mehta – Shareholder:

Good afternoon, Sir. This is Anil Mehta attending this meeting from my residence in Kandivali, Mumbai. Sir, looking at the trade war and the present situation with our neighbor countries and also the present repo rate, how much growth can we expect in current FY 2025-26? Sir second question, what is the Bank's NPA rate in the MSME sector?

Sir, since we are giving a special rate of interest for senior citizen on fixed deposits, we have a small request - can you also consider a special rate of interest on fixed deposits and other benefits to our Indian Army, since because of them, we are safe. My suggestion is to launch this under a scheme called 'Operation Sindoor' to enhance the morale of our Indian Army. With this, I support all the resolutions and thanks to the secretarial department for their cooperation and support. Thank you and all the best for the bright future of our Bank.

Moderator:

Thank you very much Mr. Mehta. We move on to speaker shareholder number 17, Mr. Gundluru Reddeppa.

Mr. Gundluru Reddeppa – Shareholder:

Board of Directors, Chairman, auditors and my fellow members - good afternoon, namaste. Myself Reddeppa Gundluru and I am attending from Hyderabad. As a shareholder, I am very happy with our Bank's performance in the last financial year. Sir your speech was wonderful, especially about the company's performance. I am very happy and proud shareholder.

Annual report contains numbers, figures, pictures and everything is per the statutory guidelines. Thank you so much to the annual report preparation team, especially our KMPs, CFO, and the accounts head. My suggestion is to extend CSR support to single women parent by providing education facilities to them.

My questions are – what is the business performance outlook for FY 2025-26? What is the guidance for credit growth in FY 2025-26? How does the Bank plan to improve the CASA ratio in the current competitive environment? Are there any specific sectors being targeted for loan book expansion? What is the Bank's outlook on net interest margin for the next year, given the interest rate scenario? How is the Bank planning to control operating expenses and improve the cost to income ratio? What steps are being taken to further reduce the gross and net NPA levels? Is there any exposure to sectors which are concerning? What new technology initiatives or digital products are we planning to enhance our customer experiences? How the Bank is addressing the cyber security risk, data and privacy concerns? How far has the integration process after the HDFC Limited merger reached? What synergies in cost savings and revenue generation have been realized so far?

Thank you so much to the Bank's secretarial team for always being there for us and addressing the investor relationship issues. Chairman Sir under your leadership, we have faith and trust on the Board. Hopefully in coming financial year we will achieve many more revenue milestones under your leadership.

Moderator:

Thank you, Mr. Reddeppa. We move on to our next shareholder number 18, Dr. Dharav Jamadar.

Dr. Dharav Jamadar – Shareholder:

Greetings of the day and namaste to the respected Chairman, all the Board members and stakeholders of the Bank. My name is Dr. Dharav Jamadar, a proud shareholder and a loyal customer of our Bank along with its various subsidiaries. Firstly, congratulations to our Bank for a very successful merger with HDFC Limited along with the successful floating of an IPO of HDB Financial Services Limited. Next, I would like to congratulate each and every stakeholder of the Bank for their contributions due to which our Bank has performed tremendously well, leading to a year where we have earned various awards and accolades, in addition to posting impeccable and robust performance throughout this financial year.

Chairman Sir, certain questions which I would request you to address are – since last couple of quarters we have turned a bit more conservative in advances leading to deposits outgrowing in percentage terms, which has further led to pressures on the margins. So, what are the major headwinds or factors that is leading to underperformance of advances growth? and by when can we expect it to start growing advances corresponding to the deposit growth? is it just to attain our near-term goal of reducing credit to growth ratio?

Second, it is commendable that the Bank is currently focusing on consolidation of its balance sheet, posting a superior profitability by giving ROA of around 1.9% in Q1 of this FY albeit our NIMS having declined as expected. In comparison to the pre-merger levels of 4.1% it has declined to 3.5% in the previous quarter. So, what are the margins expectation for this financial year? Considering that we are now going in a lower interest rate cycle, will it remain subdued?

Third, our total borrowings in percentage terms to the total liabilities even after declining from the peak of 21% in December, 2023 to 13% in June, 2025, is significantly higher than our peers and even from our pre-merger levels of 8%. This again is leading to high pressure on the margins. So, can you please enumerate the sources of raising funds on which we will be highly relying on during this particular fiscal year and also by when can we expect the share of borrowings to reach a reasonable and advantageous level?

Fourth, what kind of model did we use for integrating remuneration policy at the time of integration with HDFC Limited? Does it align to that of the employees of the Bank? What has been the average increment for the entire workforce received in comparison to the Bank's growth as well as that of the top management?

Lastly, with AI and technological development, we too will be facing several disruptions in the coming foreseeable future. How tech enabled is the Bank and by FY 2030, how would the banking industry as a whole be evolved because of AI. Additionally, in order to improvise our margins like many other companies, will we be seeing any kind of downsizing in workforce in the coming times if not in the near future? Which level of employees are at risk?

Thank you, Sir. It is an honor and privilege to attend this meeting.

Moderator:

Thank you very much, Dr. Jamadar. We move on to shareholder number 20, Mr. Rajesh Kewalram Chainani.

Mr. Rajesh Chainani – Shareholder:

Respected Chairman, MD and CEO, very highly eminent Board of Directors and fellow shareholders, I am Rajesh Chainani and I am speaking from my residence in Vile Parle, Mumbai.

In your opening remarks you have covered a lot of things. So, there is not much room left for me to speak. I thank you for the dividend and the bonus. Sir, I just want to know who is the brand ambassador of our Bank? Thank you very much for giving me the opportunity to speak Sir. Thank you.

Moderator:

Thank you, Mr. Chainani, We move on to speaker shareholder number 21, Mr. Satish Jayantilal Shah.

Mr. Satish Shah – Shareholder:

Respected Chairman Sir and all the directors, my name is Satish Shah. You have mentioned everything about the Bank in your speech. The company's performance this year has been good and we received special interim dividend, final dividend and bonus shares. The IPO of HDB Financial Services Limited was also successful. The Bank's investor service is also good. I support all the resolutions. Thank you.

Moderator:

Thank you, Mr. Shah. We move on to speaker shareholder number 25, Mr. Vinod Motlial Agarwal.

Mr. Vinod Agarwal – Shareholder:

Chairman Sir Mr. Atanu Chakraborty, MD and CEO Mr. Sashidhar Jagdishan, CFO Mr. Srinivasan Vaidyanathan and our CS Mr. Ajay Agarwal, good afternoon and regards to everyone present at the meeting. I have gone through the annual report and the performance has been good, the balance sheet has crossed Rs. 39 lakh crore, the deposits were at Rs. 27 lakh, the advances were at Rs. 26 lakh crore, payout at 25% of the EPS and final dividend of Rs. 22. The ROA for a large bank, to be 1.9% is very good and the NPAs have also reduced.

My only question is, with the repo rates, borrowing and the lending rates coming down, how does it affect our NIMs and the profitability going forward? This is my only query and I wish the Bank all the best. I appreciate the bonus and the interim dividend of Rs. 5. Signing off, Vinod Agarwal from Mumbai.

Moderator:

Thank you very much Mr. Agarwal. We move on to speaker shareholder number 26, Mr. Jaydip Bakshi.

Mr. Jaydip Bakshi – Shareholder:

Very good afternoon, Chairman and others present in today's video conference, myself Jaydip Bakshi connecting from the city of Kolkata. First of all, I want to convey my thanks to our company secretary for giving me an opportunity to express my view, for maintaining good investor friendly relationship and also for presenting a detailed and informative annual report, full of facts and figures.

Your initial speech was very much informative and thanks once again for the 1:1 bonus and also the special interim dividend that the Bank has declared.
I have few questions - what is the Bank's strategy to maintain its profitability and what measures are being taken to improve the quality and value creation. How much are we leveraging the AI technology and the machine learning in our operations and customer service? What steps are we taking against frauds?

Thanks once again for giving me the opportunity. I support all the resolution and wish the Bank all the best in the coming years, Happy Rakhi and Janmashtami to all present in today's video conference. Thank you, Sir. Namaskar.

Moderator:

Thank you very much Mr. Bakshi. We move on to speaker shareholder number 27, Mrs. Shobhana Sudhir Mehta.

Mrs. Shobhana Mehta – Shareholder:

Respected Chairman Shri Atanu ji, MD and CEO Sri Sashidhar ji, Deputy MD Sri Kaizad ji and other Directors, brothers and sisters, my name is Shobhana Mehta. Good afternoon, everyone. I have received the notice of the AGM and integrated annual report well in time. For the excellent presentation of the annual report, I thank our Company Secretary and his entire team. In your opening remarks, you mentioned about the Bank's working, and I will say that I have faith in your entire team that whatever you do will be in the favor of the Bank and shareholders. Where there is faith, there are no questions.

Sir I want to give compliments. Seeing the result, it is excellent and encouraging performance. I will say in short that there was all round improvement, you have increased our dividend to Rs. 22, and with that you also gave Rs. 5 special dividend and 1:1 bonus. For this I thank you and your entire team. I will say it is because of the hard work done by you. I wish you good wishes and want to tell you that may your happiness be double and may the troubles be far. I thank you and your Bank for the awards and accolades.

I support all the resolutions. Wishing you all the best for the future success. I thank Secretarial team for allowing me to join this meeting and for giving good investor service and the Zoom team. Wish you all the best for the future success. Once again thank you very much.

Moderator:

Thank you, Mrs. Mehta. We move on to speaker shareholder number 28, Mr. Ashish Shankar Bansal.

Mr. Ashish Bansal – Shareholder:

Respected Chairman and Board of Directors, good afternoon everyone. I thank you for giving us dividend and bonus. I request a copy of HDFC Bank Annual Report. Thank you so much Sir.

Moderator:

Thank you very much. We move on to speaker shareholder number 30, Mr. Sanjog Saraf.

Mr. Sanjog Saraf – Shareholder:

First of all, thank you for giving me an opportunity. Sir, I am a proud shareholder and a longstanding customer of the Bank and beneficiary as well. I mean, almost in my day-to-day life, I use many HDFC products they are excellent in service, quality, everything. I would like to thank the entire board, respected Chairman for their commitment, innovation and continuous focus on service quality. The progress outlined in the annual report is also commendable, particularly in a challenging economic environment as we are in right now. I would like to congratulate the entire team for successfully navigating the post-merger phase and delivering value to both the customers and all our shareholders.

I just have very few questions. First of all, due to the recently concluded HDB Financial Services IPO, will the shareholders of the Bank directly or indirectly benefit from any value unlocking, through dividends or gross investment synergies? You also mentioned that almost 97% of the financial transactions are now done digitally. How is the Bank ensuring digital literacy and cyber safety for the senior citizens and rural population, just to ensure data privacy and prevent cyber threats especially in the light of this increasing digital frauds that keeps on happening, I mean most of us have at some point of time have encountered. Sir your report mentions that there is over 1.25 Crores learning hours which is really commendable and almost a 500% increase in leadership development coverage. Can you please share how this is translating into a better employee performance and customer satisfaction and how will the Bank progress towards the goal of carbon neutrality by FY 2032? What are the interim targets for the next two years? What are the key initiatives that helped reduction in attrition and employee retention and how do you plan to further reduce the attrition in the upcoming years, particularly considering the global economic volatility?

I would like to wish the board, management team and all employees, good health, continuous success and strength in the journey ahead. I am confident that under your leadership, the Bank will continuously keep on growing and deliver value to all our stakeholders. Thank you, Sir.

Moderator:

Thank you very much Mr. Saraf. We will move on to speaker shareholder number 35, Mr. Ashit Kumar Pathak.

Mr. Ashit Kumar Pathak – Shareholder:

Good afternoon respected Chairman, Board of Directors, Company Secretary, fellow members joining this AGM. My name is Ashit Kumar Pathak, joining from Kolkata. I express my esteemed gratitude to our Company Secretary for sending me the hard copy of annual report very early in advance and allowing me to speak. Also thanks to Datamatics for their enhanced cooperation for speaker number.

The financial performance of the Bank was excellent, with growth at 10.7%, EPS around Rs. 88.8, dividend payout of Rs. 22 per share, interim dividend payout of Rs. 5 per share and the issue of bonus shares. Thanks for rewarding the shareholder. I totally appreciate the Bank's entire management team.

I noticed that 97% of financial transaction are on digital channel and 99% of personal loans are digital. I have also observed that fraudsters are using digital tools for carrying out fraudulent activities, even though we have introduced Cyber Security Operations Center (CSOC) and Vulnerability Assessment and Penetration Testing (VAPT). What strategies have we taken for protecting our customers? Any plan for branch regularization in current financial year? I also noticed our cost to income ratio increased to 40.5 against 40.2. What strategies we are taking to reduce the cost to income ratio?

We have successfully launched the IPO of HDB Financial Services. Any future plan for IPO of HDFC Securities or HDFC ERGO? What is the Bank's total market share? Also please share your thoughts on new HDFC plus credit card? Sir, share your thoughts on talent acquisition, and on the present attrition rate. Any new product for MSME sectors and senior citizens? As per RBI report, our business prospective strategies has reduced to 5.5%. So, share your thoughts about business growth in current financial year? Any new products in our pipeline which key partners can sell, because their income has been affected adversely post merger and key partners are shifting to other NBFCs since commission offered by such NBFCs is higher. I am also a key partner of HDFC Bank Limited, I am keeping deposit and Sir please give commission to also HDFC fixed deposit as a key partner. I have also deposited in HDFC fixed deposit. So I do not get any commission so please share about this and 1% extra for the members of the HDFC Bank for fixed deposits.. Also finally I noticed there are not inadequate lockers in HDFC branches. Thank you, Sir.

Moderator:

Thank you very much Mr. Pathak. I now invite speaker shareholder number 36, Mr. Aspi Bamanshaw Bhesania to share his thoughts with us.

Mr. Aspi Bhesania – Shareholder:

Chairman Sir, I am Aspi from Bombay. Thanks for giving me an opportunity to speak. So first of all, I would like to ask why physical AGM was not held? Please hold physical meetings for entire HDFC Group from next year. I congratulate the management on good results. However, the shareholders did not receive anything from the HDB Financial Services Limited IPO. So, in future whenever there is a new IPO coming for any of our subsidiaries, please give the shares of that company for free to the shareholders of the Bank. Thank you very much and all the best for the future.

Moderator:

Thank you very much Mr. Bhesania. We move on to speaker shareholder number 37, Mrs. Kusum Jagdish Shah.

Mrs. Kusum Jagdish Shah – Shareholder:

Namaste. I am shareholder of the Bank. It is my belief that good culture is required for progress but lately some problems are coming because some people are misusing it. I want to know how will we understand the problems relating to threats and data protection and how Bank can prevent cyber attacks. My second problem is that our queries are not answered properly. I just want to know if the bank does have a senior management team so they can handle this.

Moderator:

We move on to our next speaker shareholder number 38, Mrs. Bharti Saraf.

Mrs. Bharti Saraf – Shareholder:

Thank you, Chairman and esteemed Board members my name is Bharti Saraf, a shareholder from Kolkata. Sir, since our Bank's performance has been really good, I would like to thank all the stakeholders for this. I have a couple of queries. First of all, what is the Bank's plan for capex? And secondly, what is the Bank doing with regards to women empowerment? Thank you.

Moderator:

Thank you very much, Mrs. Bharti Saraf. We move on to speaker shareholder number 39, Mr. Shivam Omprakash Agrawal.

Mr. Shivam Agrawal – Shareholder:

I registered to speak with some queries but I truly appreciate the Bank for addressing all of them in detail even before this meeting. This shows that the Bank's strong commitment to transparency and shareholders engagement. As both a shareholder and a customer, I can say that the HDFC Bank's services have greatly supported our business growth.

Moderator:

We appear to have lost connectivity with Mr. Agrawal. We will move on to our next speaker shareholder Mr. Om Prakash Kejriwal.

Mr. Om Prakash Kejriwal – Shareholder:

Thank you, moderator. Good evening, Sir and good evening everybody attending this AGM, myself Om Prakash Kejriwal, your equity shareholder from Kolkata. Thank you, Sir for providing me the platform to speak. Thanks to our secretarial department for helping me in registration as a speaker shareholder. If possible, please follow this virtual AGM next year too so that more and more investors from different parts of the world could join our AGM and express their views. I want to thank you for giving us bonus shares.

Only one question Sir, why did the Bank transfer Rs. 9,000 crore in contingency reserve, please distribute some more dividend because we are long-term investors and dividend is our bread and butter. On July 19, 2025 there was a report by Nuvama on Indian economy for slow growth in Indian economy, wherein it was mentioned that bank credit has grown 9% in June 2025 month compared to 16% growth in June 2024 and GST collection in passenger vehicle sales growth is 2% as compared to 7% in June 2024. Further, in real estate sales, growth is only 4% compared to 28% growth in June 2024. What is your opinion on this report?

I have few suggestion for our CSR committee - please use some of CSR funds to provide drinking water to nearby villages. Second request for CSR Committee is - please use some of the CSR funds for better treatment of cancer. I have requested to send me a copy of the integrated annual report of the Bank. We are always with you as a long-term investor. Thank you, Sir.

Moderator:

Thank you very much Mr. Kejriwal. We move on to speaker shareholder number 41, Mr. Manan Bimal Parekh.

Mr. Manan Bimal Parekh – Shareholder:

Hello to all the Directors and all the managerial personnel. My question is particularly about the mobile app, the website and the new net banking. I want to understand why did it take us so long to develop this platform? Even now it is not available to the public at large. It is gradually being rolled out. Coming to the app, there were three versions, in the old one, there were a lot of complaints. The second version of the app was live for four years and after that we have not done anything about it. The Mobile application is good but the website interface needs improvement as compared to peers. So, I want to understand why did the management took such a long time to improve their interfaces and what are we doing specifically on the website front to make sure that the digital experience is better. Why are we still so paperwork intensive? I had to open a current account and I had to fill a physical form even at this point of time which is very concerning as a shareholder. I would love to actually get more light on those things. Thank you very much.

Moderator:

Thank you very much Mr. Parekh. We move on to speaker shareholder number 43, Mr. Jay Girishbhai Gokani.

Mr. Jay Girishbhai Gokani – Shareholder:

Respected Chairman Sir, Mr. Atanu Chakraborty and MD CEO, Mr. Sashidhar Jagdishan, esteemed Board members and my fellow shareholders, good afternoon, I am Jay Girishbhai Gokani joining from Jamnagar, Gujarat. I am proud shareholder and CA final student. My question today pertains to the Bank's net interest margin trajectory in post-merger landscape. Having carefully studied evolving liability franchise and asset composition outlined in the annual report, it is evident that margin compression remains a key challenge not just in the Bank but across other sectors. While the Bank has taken commendable steps in the balancing growth and stability, I seek insight into forward-looking strategy roadmap for sustaining and enhancing net interest margin over the next two-three years.

Could you also shed light on the plan of CASA mix and what initiatives are underway to increase retail deposit and rising cost of funds. Additionally, how does the Bank assess the margin resilience under the different interest rate cycle scenario, especially given the global volatility and domestic inflation dynamics? We, the long-term shareholders remain confident about the Bank's ability to uphold the benchmark status in profitability and capital efficiency. I thank the management and secretarial team for their continued support and coordination. Wishing the entire Bank continued strength and success. Thank you, Sir.

Moderator:

Thank you very much Mr. Gokani. We move on to spook speaker shareholder number 44, Mr. Jasmeet Singh.

Mr. Jasmeet Singh – Shareholder:

Respected Chairman, Board of Directors all the stakeholders. I am Jasmeet Singh attending this call along with another shareholder Mr. Manmohan Singh who is also listed to speak. My question is that some of our subsidiaries like HDFC Asset Management Company Limited, HDFC Life insurance Company Limited and HDB Financial Services Limited are listed. However, the shares of HDFC Securities Limited are already available in the market. My question is that when and whom did you allot the shares and did you a pass the resolution with the shareholders and in which year And if copies of the same may be provided You have started a subsidiary with our money and we should get that benefits. You have already listed some companies and we did not get the shares allotted so we feel bad.. I have bank account and transact online, when we have to generate the statements the user interface is not good. Increase the digital interface of the accounts and in UPI in online when we want to transfer like 25.000, 50,000 or 1,00,000 we select the limit so that it does not get exceeded but in UPI there is no option.. I have passed all the resolutions and like this double progress by day and fourfold by night. Since IPO we are there and we will be with you. I want the shares of HDFC Securities and HDFC Capital Advisors which is unlisted companies. Thank you.

Moderator:

Thank you very much Mr. Jasmeet Singh. We move on to speaker shareholder number 45, Mr. Hariram Chaudhary.

Mr. Hariram Chaudhary – Shareholder:

My name is Hariram Chaudhary, I am speaking from my home in Santacruz. I compliment the Chairman and also the Company Secretary and the Managing Director for bringing out voluminous annual report, having all the information. I also compliment secretarial team for assisting the shareholders in joining this meeting. I have few suggestions - let there be a dedicated mobile phone in each branch .. As matter of fact, I have been suggesting at every AGM that there will be a branch in Santa Cruz, it was accepted and then it was opened and I am the shareholder since then. So Mr. Chairman the suggestion is that there should be a dedicated mobile phone in Santa Cruz East branch in every branch and that mobile phone number and email ID should be printed in the passbook. Now Mr. Chairman please let me know how many reverse mortgage we are having totally in Mumbai in all the branches. If that figure is not ready, please send me by email but do send me. This is essential for the senior citizens and the government had brought out very good provision. Let us know when the IPO of HDFC Securities Limited will take place? Also, our branch shall promote HDFC Mutual Fund products.

You informed earlier that Rs. 1,000 crore was spent towards CSR, please let us know whether this is more than 2% of the net profit of the Bank? Also, please let us know about the Chairman and other members of the CSR Committee. Please let us know what are the latest technology we are using? Are we using artificial intelligence and whether this is increasing our revenue and profit? , one more suggestion is that all AGMs shall be conducted in hybrid mode that means online, as well as physical. Then there should be a dedicated mobile phone in the secretarial department of our company. Please let us know how much capital expenditure we have spent? Please let us know whether we are helping those shareholders whose shares and dividend have gone to IEPF?, are we uploading in website of company and website of IEPF of those shareholders whose shares and dividend has gone to the IEPF?

With this I conclude. Thank you.

Moderator:

Thank you very much Mr. Chaudhary. We move on to speaker shareholder number 46, Mr. Dinesh Gopaldas Bhatia.

Mr. Dinesh Bhatia – Shareholder:

Chairman Sir, I congratulate you and your entire team for the good work. Our Bank's performance is so good and because of that our Re. 1 share is trading at Rs. 1975. I want to congratulate you and your entire team for Global Excellency Award. We are getting awards globally for retail finance and CSR and for that I want to congratulate you and your entire team. Let our Bank move forward, that is our wish. My question is that why the figures in standalone P&L account are in thousands and the figures in consolidated P&L account are in crores? Please keep hybrid meeting, so that we get a chance to meet you. We see that our Bank is so good that foreign investment is 45% which is a proud thing for us.

The other mutual funds in India also have 25% investment in Bank so this shows that our bank is doing a good job. I just wanted to know whether the Hindustan Unilever property is on lease? There is no mention about the property in the balance sheet. How many branches are ours and how much is the associates?. We are happy when we see in the DSA side compared to private banks we are number one. Thanks for giving me the chance to speak. Our secretarial department is very good. Thank you and your entire team. Let our bank progress. All the best. Thank you.

Moderator:

Thank you, Mr. Bhatia. We move on to speaker shareholder number 47, Mr. Santosh Chopra.

Mr. Santosh Chopra – Shareholder:

I am Santosh Chopra, senior citizen from Ghaziabad. I thank the Company Secretary and secretarial department of the Bank for giving me the opportunity to speak at this forum. I congratulate the management for excellent results and giving bonus shares to us. As most of my queries have already been covered by the management and previous speakers, hence I will limit my queries to a few:

- What is your expansion plan for next two to three years?
- Whether your CSR activities include providing support to nature calamity victims or drug addicts?

I am also happy that Bank's NPA level is also as per RBI norms. I wanted to know whether the locker facility of our Bank is at par with other PSU Banks. I understand that the locker facility rates in HDFC Bank are more. So will you consider to make it at par with PSU banks so that more customers may get attracted. Similarly health insurance business is also there, PNB and other PSU banks have aligned with some private insurance companies to give benefit to their saving bank holders. So will you also consider providing the health insurance business through private insurance companies or your own HDFC Life at concession rate? And also I request to consider zero balance facility to senior citizen account holders. Thank you very much Sir. Last but not the least, I wish the management happy festivity season. Thanks.

Moderator:

Thank you very much, Mr. Chopra. We will move on to speaker shareholder number 51, Mr. Kamal Kishore Jhawar.

Mr. Kamal Kishore Jhawar – Shareholder:

Namaskar to Chairman Sir. I am Kamal Kishore from Hyderabad. You have already explained everything in detail about the Bank in your speech. Our founder, Mr. Deepak Parekh took the Bank to a different level. The shareholders received good returns in the form of bonus shares and dividend. I thank our secretarial department for their services.

Many banks are facing a problem in recovery, so please keep the recovery strong so that there will be no default. Our Bank is number one all over India. I congratulate you for that. I wish you all for the coming festivals. Thank you, Sir.

Moderator:

Thank you very much, Mr. Jhawar. We will move back to speaker shareholder number 34, Mr. Yusuf Yunus Rangwala, who has now logged back into the meeting.

Mr. Yusuf Rangwala – Shareholder:

Sir I am Rangwala speaking from Mumbai. I support all the resolutions. I thank the Company Secretary for preparing the integrated annual report. Thank you for the bonus issue of 1:1, final dividend of Rs. 22 and interim dividend of Rs. 5. What is the total number of staff working at our Bank? Whether we have any foreign branch? How many branches there are in India at present and how many are you planning to open in coming year? I wish our Bank good luck and I thank our Chairman for giving me a chance to speak. Thank you very much.

Moderator:

Thank you very much, Mr. Rangwala. Thank you to all speaker shareholders for sharing your thoughts and queries with us. I now hand over the proceedings to Mr. Atanu Chakraborty, Chairman of the Bank. Over to you Sir.

Mr. Atanu Chakraborty – Chairman, HDFC Bank Limited:

Thank you, moderator. I thank all our shareholders who have been very kind enough to go through the voluminous reports and also their appreciation for the work done by the Bank and its employees specifically. This places a much greater burden on all of us to live up to your expectations every year. I thank you for your appreciation and I do promise that the entire team of HDFC Bank will try to live up to your expectation in the future as well. Now I shall attempt to respond to as many as questions as possible along with Mr. Sashidhar Jagdishan, our MD and CEO.

Mr. Praful Chavda had expressed a rightful concern about depositors whose KYCs perhaps need to be redone. Regarding this, RBI has very detailed provisions made regarding risky customers for whom KYC is at much shorter interval, unlike regular customers for whom KYC needs to be done over a certain specified period. Apart from that the Bank also carries out profiling of customers who may look suspicious and there is a methodology for reporting them. So, rest assured while there are people who tend to act in a very fraudulent fashion and tend to get into the system, but large number of our depositors and customers deserve good amount of service, which the Bank is also committed to. Now coming to the second question by Mrs. Sushma and Mr. Ankur Chavda regarding account holder data leakages, I fully share that concern and the Bank tends to maintain data privacy of its customers as its main priority.

Mr. Santosh Saraf had asked a question about northeastern states and he wanted to know the Bank's infrastructure and the number of ATMs in northeastern states. There are 255 ATMs and 121 cash recyclers. He also wanted to know the number of ATMs in hill stations and at tourist places, and there are 47 and 24 ATMs respectively at such places.

Mrs. Mascarenhas wanted to know about the gold loan book. It is a relatively new product and the Bank has taken effort to set up infrastructure across a very large number of branches. Presently the total loan book for gold loan is Rs. 17,700 crore and the NPA here is almost negligible. On the growth of housing loan, now that is an area because on merger these questions had come up, as to how fast the loan book on housing loan is growing after the merger. The shareholders would be happy to note that the present loan book size is Rs. 8,35,656 crore as compared to Rs. 7,746 crore in the previous year and the gross NPA in this product is as low as 0.7%. It is a very high-quality loan book on housing advances and in the coming years, one would only see it growing at a faster pace. While this housing loan does not give a NIM as high as many other areas; however, the expected credit loss being much smaller, the return on assets as well as return on equity tends to be higher. Also, it gives a great amount of stability to the balance sheet as well.

Mrs. Mascarenhas, Mr. Sujan Modak and many others asked about the outlook and the guidance. Today is not the day for guidance nor we habitually give any guidance regarding the future results. So, I will desist from that, however, as I mentioned about the outlook. Now the main event that is being reported in the press is the tariff which I also covered in my speech. RBI has recently mentioned the growth rate to be in the range of 6.5% which rides on low inflation. It rides on growth in many other areas which are picking up fast. I have alluded to them in my speech as well, so I will not repeat them once again. All I wish to say is that the size of your Bank is next only to State Bank of India, in a sense that its growth would more or less track the growth of Indian economy albeit on account of better efficiency of your Bank, which all of you mentioned during your observations and comments. It would tend to do slightly better in an overall system sense which reflects both in deposits and loans. The loan book was constrained on account of CD ratio because two institutions having a very different kind of liability profiles had merged. Therefore, CD ratio had gone up post merger. As I mentioned in my speech also that it has been brought in the range of 95 to 96%. The Bank would be able to now grow its loan book at a faster pace in the coming years.

Smt. Swaran Lata ji had asked about holding of the Bank in HDB Financial Services Limited (HDBFS). The Bank owns 74.19% in HDBFS. She also wanted to know about the future of HDBFS. It has a set of excellent and competent Board of Directors and management and they will continue to make HDBFS grow. Mrs. Homayun Beruz Pouredehi wanted to know about the sexual harassment cases. There is a process being set on sexual harassment cases which follows law of the land and such complaints are dealt in very independent fashion as led out in the law. The attrition rate, as some of the shareholders wanted to know, is about roughly in the range of 22 to 23%. As Mr. Pouredehi wanted to know, the percentage of women employees is 26.14%.

Mr. Praful Chavda and Shri Gautam Tiwari wanted details of the Bank's ESG ratings. The rating on ESG by MSCI given to the Bank is AA, CRISIL score is 71, and SNP has rated us on 85th percentile which shows that the Bank has done more than reasonably well on the ESG front.

Sri Chainani wanted to know the brand ambassador for us. Every stakeholder is a brand ambassador and I am sure Mr. Chainani himself is a brand ambassador of the Bank.

Sri Agarwal wanted to know the effect of reduction in the repo rate on NIMs. I just want to mention that when the rate cycle is down, there are lead and lag factors because of external benchmarking of loans. Over last few years, invariably the rate transmission is fast on the asset side than on the liability side because people tend to put their money in time deposits also apart from CASA. Therefore, the balancing between the two takes some time and on that account, there is always a compression across the system on the overall spread. It tends to correct itself unless there is a huge amount of volatility in the economy which we see has been managed rather well by both, the Government as well as the regulator. Therefore, once we have passed the downward cycle on the rates, I guess we can see greater amount of stability in the NIMS.

I welcome the remarks made by Smt. Shah on good governance and independent complaint redressal system. I must mention here that on the complaint redressal aspect, there is an internal ombudsman system which has been in place and is very efficiently handled. There is also an external ombudsman system which is employed by RBI. Therefore, the customer complaint redressal offers a very comprehensive and a very effective system. Few shareholders enquires about the training to customers so that they do not fall prey to frauds. I wish to state that, a very effective customer education programme had been launched called 'Vigilaunty' which had found great traction in the social media and we have seen very high level of customer awareness on that count. However, this is a job which is on continuing basis and the Bank would continue to do that.

Now, I will request our MD and CEO Sri Sashidhar Jagdishan to further respond to queries especially with respect to questions on contingency reserve, the issues raised on mobile and net banking, CASA mix which has been raised by quite a few shareholders, reverse mortgage queries, issue related to IEPF, listing of the Bank's subsidiaries, etc. However, I would preface that the decision to list the subsidiaries would be made by its Board, in consultation with the shareholder that is the Bank. Mr. Jagdishan, over to you.

Mr. Sashidhar Jagdishan - Managing Director and CEO, HDFC Bank Limited:

Thank you, Chairman and thank you shareholders for spending a lot of time as the Chairman mentioned, in going through the voluminous reports and reading through them and asking lot of pertinent questions today, a lot of which the Chairman has already responded to, so let me just focus on some of them.

While the Chairman did mention about the reasons for lower growth and the growth outlook, I think one of the things that also came along with the net interest margin (NIM) trajectory or what has happened in the NIMs ever since the merger, is the fact that we have been raising a lot of time deposits which is necessary to reduce the credit deposit ratio which was one of our strategic objectives. Since we wanted to expedite and focus more on that, the proportion of current and savings mix went down. This has had an impact on the NIMs as well, but once as we move into the future, we do have a certain trajectory as the Chairman mentioned, and our growth rate should be in line with the system and we should expect all things remaining same.

You have seen the liquidity in the system getting better. We should see the deposit growth rate much faster than the system growth rate. So, the trajectory of our credit deposit ratio should be more or less in similar levels if not downward moving. As we stabilize our growth outlook both in deposits and advances over a period of two years, I think we should see normalization of the need to have low-cost funds. We are hopeful that CASA will come back to some amount of stability. One of the shareholders did ask about the impact of funds moving to mutual funds away from banking deposits. That could have some amount of impact on the low cost funds but that is for a different day to watch and assess feedback.

In terms of the technology, a lot of questions revolved around the usage of Gen AI on some of the interfaces, including the new mobile app, the website and the new net banking app. So let me address some of these and also some of the journeys in relation thereto. The Bank had sort of implemented some of the state-of-art applications whether it is on the mobile, the net banking or on the website, maybe around the FY 2017-18. As you may be aware, implementation had some teething issue, so incremental investments on that particular front was much lesser from an experience perspective but more in stabilizing those platforms.

I am happy to note that even though it is slightly delayed, the Bank has now taken the onus of building these platforms on its own rather than taking an outside help whether it is the new mobile app or the new net banking interface or the website interface, of which the new mobile app is being deployed. We do have a large population of customers who are on the old mobile application, but we want to ensure that the migration of the same happens during the wee hours of midnight and early morning. Since the window of migration is very short, we have a very limited migration numbers on a daily basis and a lot of customers will start to enjoy the new application before the end of this fiscal year. Similarly, we have a similar migration plan on the new net banking interface and I am sure that customers will start to enjoy the new net banking interface. There is a rationale for having a very phased deployment. We do not want to create a big bang migration because it could have led to a lot of instability.

We will be taking up the website implementation too, shortly. The website interface will also undergo a change and we will publish glide path for moving into the new interface. With regard to the Gen AI, as the Chairman mentioned in his opening remarks, we have a lot of initiatives which are largely for process re-engineering, operational efficiencies and customer service. The stakeholders and customers will start to see some of the benefits of the implementation maybe over the period of next 12 to 18 months. This is going to be a very important event for us but having said that, we are focusing on the guardrails. We want to ensure that whatever we implement, we are not substituting human brains on that. It is only the basic mundane activities which we are focusing on, in phase one.

Whether it will have an impact on our manpower, the Bank has a good long-term visibility and long-term plan as the Chairman mentioned. We track the country's GDP, so the runway for growth is very high so we would be expanding our footprint across the length and breadth of the country, even if there are going to be operational efficiencies in the backend operations or in back-end activities. Some of them can be redeployed in the front-end engagement channels as well which are more customer facing. So, we do not see any immediate worry on the manpower part of it in terms of layoffs. We are very clear as this is the ethos and philosophy of the institution. I do not see need for any cause or worry because the runway for growth for India and for financial services and for the Bank is very large. We would need more and more people to engage with customers.

As regards the impact on frauds, I think the Chairman did mention about a lot of activities on the awareness programmes including the 'Vigil Aunty' (VA). I once again reiterate our appeal to all our shareholders, customers and even others that, please do not click on any unknown SMS, WhatsApp messages or emails that come into your mobile or your net banking because these are the points of compromise and once the fraudsters take hold of your mobile phones or computers then it is going to be very difficult for anyone to have control over our banking operations. In fact, a large part of the frauds that have been reported is on account of such modus operandi and this has now increased not just in India but globally. Hence we urge all our customers and shareholder customers to ensure that they exercise a lot of diligence. We also have a lot of technology initiatives to ensure minimization of the impact of frauds which we have laid out in our integrated annual report but having said that, this is an area that is evolving and emerging. We are all fighting this particular menace. Not just us but even the entire banking system, all the regulatory environment, even the Government of India and other regulators as well. So, we just want to ensure that our customers are pretty safe.

As regards the reverse mortgage which the Chairman mentioned, we do not offer this product at all. I am not too sure if any other bank also offers reverse mortgage as a product. There are various legal and other implications involved in this which is the reason why I think this is not a product offering which makes sense for either the customers or even for institutions.

As regards listing of subsidiaries, I think these are opportunities that will come by and the respective organizations will take calls when to list and how to distribute the same at a certain fair value to the existing shareholders. As the Chairman did mention, even in the HDBFS IPO, the Bank did have a reservation for its 3.7 million shareholders. Whilst the reservation amount per shareholder was small, the intent was always there to distribute benefits amongst all the shareholders. We believe that we left a fair amount on the table for the shareholders, but Mr. Singh your point is taken and we will examine it for the other unlisted entities in future.

Most of the other questions have been already covered by the Chairman. The NPA was also another issue which was raised. Happy to inform you that over a 30-year period, the Bank's NPA ratios and asset quality have been very healthy and stable. Even during the year gone by and the quarter gone by, the Bank has continued to maintain a very stable asset quality compared to the environment we are in. We do not see too many too many issues in the horizon at this juncture, and we hope that this is one of the strengths of the institution.

We believe we will continue to flourish even going forward. The Bank has made a fair number of floating provisions which are not linked to any anticipated risk. It is all on account of building resilience for the future. We have very adequate number of floating provisions which more than covers any shocks that may happen in the future. So that is it from my side. If there are any more questions that you all have, you may write to the secretarial department and we will be more than happy to address the same. Thank you.

Mr. Atanu Chakraborty - Chairman, HDFC Bank Limited:

Thank you so much Mr. Jagdishan. That was a very comprehensive reply. Before I conclude the Annual General Meeting of the Bank, I reiterate that the window for voting at this meeting would be available for 30 minutes hereinafter. I request the shareholders who have not voted through remote voting, to vote before the voting window is closed.

The Board of the Bank has appointed, Mr. B. Narasimhan, proprietor of M/s. BN & Associates, Company Secretaries, as the scrutinizer to supervise the e-voting process. I authorize Mr. Ajay Agarwal, Company Secretary to receive and declare the voting results. The results of the e-voting along with the scrutinizers report will be declared within next two working days and would be communicated to the stock exchanges and also published on the website of the Bank and NSDL.

I thank all the shareholders for attending the 31st AGM of the Bank and declare the proceedings of this AGM as closed.

On behalf of the entire Bank and management, I wish all the shareholders good health.

Thank you.

(END OF TRANSCRIPT)