

HDFC BANK LIMITED
UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2018

(₹ in lacs)

	Particulars	Quarter ended 30.06.2018	Quarter ended 31.03.2018	Quarter ended 30.06.2017	Year ended 31.03.2018
		Unaudited	Audited (Refer note 4)	Unaudited	Audited
1	Interest Earned (a)+(b)+(c)+(d)	2254898	2132108	1866872	8024135
	a) Interest / discount on advances / bills	1739073	1666337	1448606	6266179
	b) Income on Investments	458929	422264	389297	1622237
	c) Interest on balances with Reserve Bank of India and other inter bank funds	33238	19681	10820	52388
	d) Others	23658	23826	18149	83331
2	Other Income	381806	422858	351666	1522031
3	Total Income (1)+(2)	2636704	2554966	2218538	9546166
4	Interest Expended	1173541	1066337	929798	4014649
5	Operating Expenses (i)+(ii)	598388	605063	536746	2269036
	i) Employees cost	181051	174120	165751	680574
	ii) Other operating expenses (Refer Note 9)	417337	430943	370995	1588462
6	Total Expenditure (4)+(5) (excluding Provisions & Contingencies)	1771929	1671400	1466544	6283685
7	Operating Profit before Provisions and Contingencies (3)-(6)	864775	883566	751994	3262481
8	Provisions (other than tax) and Contingencies	162937	154110	155876	592749
9	Exceptional Items	-	-	-	-
10	Profit / (Loss) from Ordinary Activities before tax (7)-(8)-(9)	701838	729456	596118	2669732
11	Tax Expense	241694	249528	206734	921057
12	Net Profit / (Loss) from Ordinary Activities after tax (10)-(11)	460144	479928	389384	1748675
13	Extraordinary items (net of tax expense)	-	-	-	-
14	Net Profit / (Loss) for the period (12)-(13)	460144	479928	389384	1748675
15	Paid up equity share capital (Face Value of ₹ 2/- each)	52083	51902	51478	51902
16	Reserves excluding revaluation reserves (as per balance sheet of previous accounting year)				10577601
17	Analytical Ratios				
	(i) Percentage of shares held by Government of India	Nil	Nil	Nil	Nil
	(ii) Capital Adequacy Ratio	14.6%	14.8%	15.6%	14.8%
	(iii) Earnings per share (₹)				
	(a) Basic EPS before & after extraordinary items (net of tax expense) - not annualized	17.7	18.5	15.2	67.8
	(b) Diluted EPS before & after extraordinary items (net of tax expense) - not annualized	17.5	18.3	15.0	66.8
	(iv) NPA Ratios				
	(a) Gross NPAs	953862	860697	724293	860697
	(b) Net NPAs	290710	260102	252821	260102
	(c) % of Gross NPAs to Gross Advances	1.33%	1.30%	1.24%	1.30%
	(d) % of Net NPAs to Net Advances	0.41%	0.40%	0.44%	0.40%
	(v) Return on assets (average) - not annualized	0.44%	0.50%	0.46%	1.93%

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

(₹ in lacs)

Particulars	Quarter ended 30.06.2018	Quarter ended 31.03.2018	Quarter ended 30.06.2017	Year ended 31.03.2018
	Unaudited	Audited (Refer note 4)	Unaudited	Audited
1 Segment Revenue				
a) Treasury	528532	513629	474088	1984137
b) Retail Banking	2040059	1957522	1759229	7384305
c) Wholesale Banking	1237905	1096443	937223	4150413
d) Other Banking Operations	327863	366371	255117	1225914
e) Unallocated	-	-	-	-
Total	4134359	3933965	3425657	14744769
Less: Inter Segment Revenue	1497655	1378999	1207119	5198603
Income from Operations	2636704	2554966	2218538	9546166
2 Segment Results				
a) Treasury	5045	24204	45739	154000
b) Retail Banking	314468	291824	212238	997172
c) Wholesale Banking	315585	278681	282190	1172051
d) Other Banking Operations	117238	185253	98107	548790
e) Unallocated	(50498)	(50506)	(42156)	(202281)
Total Profit Before Tax	701838	729456	596118	2669732
3 Segment Assets				
a) Treasury	30170308	35089438	26570417	35089438
b) Retail Banking	38606584	37190659	31457133	37190659
c) Wholesale Banking	34681446	29704057	27984965	29704057
d) Other Banking Operations	3994672	3759549	3041526	3759549
e) Unallocated	587899	649728	511265	649728
Total	108040909	106393431	89565306	106393431
4 Segment Liabilities				
a) Treasury	5869806	5534970	3530332	5534970
b) Retail Banking	62955796	59878546	53718130	59878546
c) Wholesale Banking	25546051	27028720	19771198	27028720
d) Other Banking Operations	429847	408150	360425	408150
e) Unallocated	2472402	2913542	2759448	2913542
Total	97273902	95763928	80139533	95763928
5 Capital Employed (Segment Assets-Segment Liabilities)				
a) Treasury	24300502	29554468	23040085	29554468
b) Retail Banking	(24349212)	(22687887)	(22260997)	(22687887)
c) Wholesale Banking	9135395	2675337	8213767	2675337
d) Other Banking Operations	3564825	3351399	2681101	3351399
e) Unallocated	(1884503)	(2263814)	(2248183)	(2263814)
Total	10767007	10629503	9425773	10629503

Business Segments have been identified and reported taking into account the target customer profile, the nature of products and services, the differing risks and returns, the organisation structure, the internal business reporting system and the guidelines prescribed by RBI.

Notes :

1 Statement of Assets and Liabilities as at June 30, 2018 is given below:

(₹ in lacs)			
Particulars	As at 30.06.2018	As at 30.06.2017	As at 31.03.2018
CAPITAL AND LIABILITIES	Unaudited	Unaudited	Audited
Capital	52083	51478	51902
Reserves and Surplus	10714924	9374295	10577601
Deposits	80578532	67137605	78877064
Borrowings	12102431	8601170	12310497
Other Liabilities and Provisions	4592939	4400758	4576367
Total	108040909	89565306	106393431
ASSETS			
Cash and Balances with Reserve Bank of India	3958878	3620417	10467047
Balances with Banks and Money at Call and Short notice	1190508	2076642	1824460
Investments	27567865	21610827	24220024
Advances	70864869	58097580	65833309
Fixed Assets	357615	359321	360721
Other Assets	4101174	3800519	3687870
Total	108040909	89565306	106393431

- 2 The above results have been approved by the Board of Directors at its meeting held on July 21, 2018. The results for the quarter ended June 30, 2018 have been subjected to a "Limited Review" by the Statutory Auditors of the Bank. An unqualified report has been issued by them thereon. The financial results for the quarter ended June 30, 2017 and the year ended March 31, 2018 were subjected to limited review and audit respectively by another firm of chartered accountants.
- 3 The Bank has followed the same significant accounting policies in the preparation of these financial results as those followed in the annual financial statements for the year ended March 31, 2018.
- 4 The figures for the quarter ended March 31, 2018 are the balancing figures between audited figures in respect of the financial year 2017-18 and the published year to date figures upto December 31, 2017.
- 5 During the quarter ended June 30, 2018, the Bank allotted 9067600 shares pursuant to the exercise of options under the approved employee stock option schemes.
- 6 The Board of Directors of the Bank, at their meeting held on December 20, 2017 had approved the raising of funds aggregating up to ₹ 24,000 crore, of which an amount up to a maximum of ₹ 8,500 crore was approved to be through the issuance of equity shares of face value of ₹ 2/- each pursuant to a preferential issue to Housing Development Finance Corporation Limited and the balance was approved to be through the issuance of equity shares/ convertible securities/ depository receipts pursuant to a Qualified Institutions Placement (QIP)/ American Depository Receipts (ADR)/ Global Depository Receipt (GDR) program. The said raising of funds was approved by the shareholders of the Bank at its Extra Ordinary General meeting held on January 19, 2018. The Bank has received all relevant approvals in this regard. On July 17, 2018, the Bank allotted 39096817 equity shares to Housing Development Finance Corporation Limited at the issue price of ₹ 2,174.09 per equity share (including share premium of ₹ 2,172.09 per equity share), aggregating to ₹ 8,500 crore.
- 7 In accordance with RBI guidelines, banks are required to make Pillar 3 disclosures including leverage ratio and liquidity coverage ratio under the Basel III Framework. The Bank's Pillar 3 disclosures are available on its website at the following link: http://www.hdfcbank.com/aboutus/basel_disclosures/default.htm. These disclosures have not been subjected to audit or review by the statutory auditors.
- 8 Other income relates to income from non-fund based banking activities including commission, fees, earnings from foreign exchange and derivative transactions, profit and loss (including revaluation) from investments and recoveries from accounts previously written off.
- 9 Other operating expenses include commission paid to sales agents of ₹ 737.22 crore (previous period: ₹ 530.21 crore) for the quarter ended June 30, 2018.
- 10 RBI circular DBR.No.BP.BC.113/21.04.048/2017-18 dated June 15, 2018 grants banks an option to spread provisioning for mark to market (MTM) losses on investments held in AFS and HFT categories for the quarter ended June 30, 2018. The circular states that the provisioning for this quarter may be spread equally over up to four quarters, commencing with the current quarter ended June 30, 2018. The Bank has not availed of the said option and has recognised the entire net MTM loss on investments of ₹ 391.04 crore in the current quarter.
- 11 As at June 30, 2018, the total number of banking outlets and ATMs were 4804 and 12808 respectively.
- 12 Figures of the previous periods have been regrouped / reclassified wherever necessary to conform to current period's classification.
- 13 ₹ 10 lac = ₹ 1 million
₹ 10 million = ₹ 1 crore

Place : Mumbai
Date : July 21, 2018

Aditya Puri
Managing Director