

HDFC BANK LTD  
Form 6-K  
October 15, 2009

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**Form 6-K**

**Report of Foreign Private Issuer**

**Pursuant to Rule 13a-16 or 15d-16 under the**

**Securities Exchange Act of 1934**

**For the month of October, 2009**

**Commission File Number 001-15216**

**HDFC BANK LIMITED**

(Translation of registrant's name into English)

**HDFC Bank House, Senapati Bapat Marg,**

**Lower Parel, Mumbai. 400 013, India**

(Address of principal executive office)

## Edgar Filing: HDFC BANK LTD - Form 6-K

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F  Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Yes  No

**Note:** Regulation S-T Rule 101(b)(1) only permits the submission in paper of a Form 6-K if submitted solely to provide an attached annual report to security holders.

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Yes  No

**Note:** Regulation S-T Rule 101(b)(7) only permits the submission in paper of a Form 6-K if submitted to furnish a report or other document that the registrant foreign private issuer must furnish and make public under the laws of the jurisdiction in which the registrant is incorporated, domiciled or legally organized (the registrant's home country), or under the rules of the home country exchange on which the registrant's securities are traded, as long as the report or other document is not a press release, is not required to be and has not been distributed to the registrant's security holders, and, if discussing a material event, has already been the subject of a Form 6-K submission or other Commission filing on EDGAR.

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes  No

If  Yes is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): 82- Not Applicable.

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

**HDFC BANK LIMITED**

(Registrant)

Date: 14<sup>th</sup> October 2009

By /s/ SANJAY DONGRE  
Name: **Sanjay Dongre**  
Title: **Executive Vice President (Legal) & Company Secretary**

**EXHIBIT INDEX**

The following documents (bearing the exhibit number listed below) are furnished herewith and are made a part of this Report pursuant to the General Instructions for Form 6-K.

**Exhibit I**

*Description*

Communication dated 14<sup>th</sup> October 2009 addressed to The New York Stock Exchange, New York, United States of America (USA) intimating about the announcement of Unaudited Quarterly financial results of the Bank for the second Quarter ended 30<sup>th</sup> September 2009 and the press release in that regard.

14th October 2009

New York Stock Exchange

11, Wall Street,

New York,

NY 10005

USA

Dear Sir,

**Re: Unaudited Financial Results for the second quarter ended 30th September 2009**

We attach herewith two files containing the unaudited financial results of the Bank for the Second quarter ended 30th September 2009 as approved by the Board of Directors at its meeting held today i.e. on 14th October 2009 and a press release issued by the Bank in this regard.

The aforesaid unaudited financial results have been submitted to the Stock Exchanges in India as per the listing requirements of those stock exchanges.

This is for your information and record.

Thanking you,

Yours faithfully,

For HDFC Bank Limited

Sanjay Dongre

Executive Vice President (Legal) &

Company Secretary

Encl: As Above

## HDFC BANK LIMITED

## UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2009

(Rs. in lacs)

| Particulars   | Quarter ended<br>30.09.2009<br>Unaudited | Quarter ended<br>30.09.2008<br>Unaudited | Half year ended<br>30.09.2009<br>Unaudited | Half year ended<br>30.09.2008<br>Unaudited | Year ended<br>31.03.2009<br>Audited |
|---|--|--|--|--|-------------------------------------|
| 1 Interest Earned (a)+(b)+(c)+(d)   | 399189                                   | 399121                                   | 808499                                     | 761294                                     | 1633227                             |
| a) Interest/discount on advances/bills  | 301022                                   | 306142                                   | 602797                                     | 570162                                     | 1213675                             |
| b) Income on Investments  | 95958                                    | 89665                                    | 199302                                     | 185336                                     | 400796                              |
| c) Interest on balances with Reserve Bank of India and other inter bank funds                 | 2113                                     | 3299                                     | 5664                                       | 5725                                       | 18426                               |
| d) Others   | 96                                       | 15                                       | 736  | 71   | 330                                 |
| 2 Other Income  | 100740                                   | 64311                                    | 205105                                     | 123653                                     | 329061                              |
| <b>3 A) TOTAL INCOME (1) + (2)</b>  | <b>499929</b>                            | <b>463432</b>                            | <b>1013604</b>                             | <b>884947</b>                              | <b>1962288</b>                      |
| 4 Interest Expended   | 203613                                   | 212476                                   | 427365                                     | 402302                                     | 891110                              |
| 5 Operating Expenses (i) + (ii)   | 137016                                   | 138671                                   | 275074                                     | 267609                                     | 553282                              |
| i) Employees cost   | 55409                                    | 61163                                    | 111343                                     | 115221                                     | 223820                              |
| ii) Other operating expenses  | 81607                                    | 77508                                    | 163731                                     | 152388                                     | 329462                              |
| <b>6 B) TOTAL EXPENDITURE (4)+(5)</b>   | <b>340629</b>                            | <b>351147</b>                            | <b>702439</b>                              | <b>669911</b>                              | <b>1444392</b>                      |
| <b>(excluding Provisions &amp; Contingencies)</b>   |  |  |  |  |                                     |
| <b>7 Operating Profit before Provisions and Contingencies (3) - (6)</b>                       | <b>159300</b>                            | <b>112285</b>                            | <b>311165</b>                              | <b>215036</b>                              | <b>517896</b>                       |
| 8 Provisions (Other than tax) and Contingencies   | 59414                                    | 34603                                    | 125296                                     | 69050                                      | 187970                              |
| 9 Exceptional Items   |  |  |  |  |                                     |
| 10 Profit / (Loss) from ordinary activities before tax (7-8-9)                                | 99886                                    | 77682                                    | 185869                                     | 145986                                     | 329926                              |
| 11 Tax Expense  | 31140                                    | 24884                                    | 56512                                      | 46753                                      | 105431                              |
| <b>12 Net Profit / (Loss) from Ordinary Activities after tax (10-11)</b>                      | <b>68746</b>                             | <b>52798</b>                             | <b>129357</b>                              | <b>99233</b>                               | <b>224495</b>                       |
| 13 Extraordinary items (net of tax expense)   |  |  |  |  |                                     |
| <b>14 Net Profit / (Loss) (12-13)</b>   | <b>68746</b>                             | <b>52798</b>                             | <b>129357</b>                              | <b>99233</b>                               | <b>224495</b>                       |
| 15 Paid up equity share capital (Face Value of Rs.10/- each)                                  | 42736                                    | 42503                                    | 42736                                      | 42503                                      | 42538                               |
| 16 Reserves excluding revaluation reserves (as per balance sheet of previous accounting year) |  |  |  |  | 1422095                             |
| <b>17 Analytical Ratios</b>   |  |  |  |  |                                     |
| (i) Percentage of shares held by Government of India  | Nil                                      | Nil                                      | Nil  | Nil  | Nil                                 |
| (ii) Capital Adequacy Ratio   | 15.7%                                    | 11.4%                                    | 15.7%                                      | 11.4%                                      | 15.7%                               |
| (iii) Earnings per share (Rs.)  |  |  |  |  |                                     |
| (a) Basic EPS before & after extraordinary items (net of tax expense) -not annualized         | 16.1                                     | 12.4                                     | 30.5                                       | 23.4                                       | 52.9                                |
| (b) Diluted EPS before & after extraordinary items (net of tax expense) -not annualized       | 15.9                                     | 12.3                                     | 30.2                                       | 23.2                                       | 52.6                                |
| (iv) NPA Ratios   |  |  |  |  |                                     |
| (a) Gross NPAs  | 202688                                   | 167594                                   | 202688                                     | 167594                                     | 198807                              |
| (b) Net NPAs  | 60243                                    | 58412                                    | 60243                                      | 58412                                      | 62762                               |
| (c) % of Gross NPAs to Gross Advances   | 1.76%                                    | 1.57%                                    | 1.76%                                      | 1.57%                                      | 1.98%                               |
| (d) % of Net NPAs to Net Advances   | 0.5%                                     | 0.6%                                     | 0.5%                                       | 0.6%                                       | 0.6%                                |
| (v) Return on assets (average) -not annualized  | 0.4%                                     | 0.3%                                     | 0.7%                                       | 0.6%                                       | 1.3%                                |
| <b>18 Public Shareholding</b>   |  |  |  |  |                                     |
| - No. of shares   | 344914524                                | 342586476                                | 344914524                                  | 342586476                                  | 342941109                           |
| - Percentage of Shareholding  | 80.7%                                    | 80.6%                                    | 80.7%                                      | 80.6%                                      | 80.6%                               |
| <b>19 Promoters and Promoter Group Shareholding</b>   |  |  |  |  |                                     |

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|  |          |          |          |          |          |
|--|----------|----------|----------|----------|----------|
| (a) Pledged / Encumbered   |          |          |          |          |          |
| - No. of shares  |          |          |          |          |          |
| - Percentage of Shares (as a % of the total shareholding of promoter and promoter group) |          |          |          |          |          |
| - Percentage of Shares (as a % of the total share capital of the Company)                |          |          |          |          |          |
| (b) Non - encumbered   |          |          |          |          |          |
| - No. of shares  | 82443000 | 82443000 | 82443000 | 82443000 | 82443000 |
| - Percentage of Shares (as a % of the total shareholding of promoter and promoter group) | 100.0%   | 100.0%   | 100.0%   | 100.0%   | 100.0%   |
| - Percentage of Shares (as a % of the total share capital of the Company)                | 19.3%    | 19.4%    | 19.3%    | 19.4%    | 19.4%    |

**Notes :**

- 1 The above results have been approved by the Board at its meeting held on October 14, 2009.
- 2 During the quarter and half-year ended September 30, 2009, the Bank allotted 11,74,258 and 19,73,415 shares respectively pursuant to the exercise of stock options by certain employees.
- 3 During the quarter and half-year ended September 30, 2009, the Bank granted 54,14,750 stock options under its scheme titled ESOS XIV to its employees. The grant price of these options is Rs.1,446.10, being the closing market price as on the working day immediately preceding the date of grant of options.
- 4 The Bank adopted the Basel 2 framework as of March 31, 2009. Accordingly the capital adequacy ratio (CAR) for September 30, 2009 and March 31, 2009 is as per Basel 2 framework and that for September 30, 2008 is as per the Basel 1 framework.
- 5 In accordance with RBI guidelines under reference DBOD.No.BP.BC.46/21.04.048/2009-10 dated September 24, 2009, gross advances and gross NPAs as of September 30, 2009 exclude interest held in suspense in respect of NPA accounts.
- 6 Other income relates to income from non-fund based banking activities including commission, fees, foreign exchange earnings, earnings from derivative transactions and profit and loss (including revaluation) from investments.
- 7 As on September 30, 2009, the total number of branches (including extension counters) and the ATM network stood at 1,506 branches and 3,573 ATMs respectively.
- 8 Information on investor complaints pursuant to Clause 41 of the listing agreement for the quarter ended September 30, 2009:  
Opening : nil ; Additions : 698 ; Disposals : 698 ; Closing position : nil.
- 9 These results for the quarter and half year ended September 30, 2009, have been subjected to a Limited Review by the Statutory Auditors of the Bank.
- 10 Figures of the previous period have been regrouped/reclassified wherever necessary to conform to current period's classification.
- 11 Rs. 10 lac = Rs. 1 million  
Rs. 10 million = Rs. 1 crore

Place : Mumbai  
Date : October 14, 2009

**Aditya Puri**  
Managing Director

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

(Rs. in lacs)

| Particulars                            | Quarter ended           | Quarter ended           | Half year ended         | Half year ended         | Year ended            |
|--|-------------------------|-------------------------|-------------------------|-------------------------|-----------------------|
|  | 30.09.2009<br>Unaudited | 30.09.2008<br>Unaudited | 30.09.2009<br>Unaudited | 30.09.2008<br>Unaudited | 31.03.2009<br>Audited |
| <b>1 Segment Revenue</b>               |                         |                         |                         |                         |                       |
| a) Treasury                            | 118341                  | 101033                  | 255910                  | 206198                  | 491701                |
| b) Retail Banking                      | 382899                  | 396335                  | 767233                  | 723626                  | 1488083               |
| c) Wholesale Banking                   | 203756                  | 268248                  | 415264                  | 507402                  | 1060584               |
| d) Other banking operations            | 56384                   | 49045                   | 110630                  | 88155                   | 214604                |
| e) Unallocated                         |                         |                         |                         | 351                     | 351                   |
| <b>Total</b>                           | <b>761380</b>           | <b>814661</b>           | <b>1549037</b>          | <b>1525732</b>          | <b>3255323</b>        |
| Less: Inter Segmental Revenue          | 261451                  | 351229                  | 535433                  | 640785                  | 1293035               |
| <b>Income from Operations</b>          | <b>499929</b>           | <b>463432</b>           | <b>1013604</b>          | <b>884947</b>           | <b>1962288</b>        |
| <b>2 Segment Results</b>               |                         |                         |                         |                         |                       |
| a) Treasury                            | 25047                   | (16253)                 | 65462                   | (11903)                 | 48818                 |
| b) Retail Banking                      | 29459                   | 52884                   | 43838                   | 83484                   | 126893                |
| c) Wholesale Banking                   | 48577                   | 33456                   | 86547                   | 67679                   | 124226                |
| d) Other banking operations            | 10928                   | 14089                   | 18357                   | 20467                   | 63551                 |
| e) Unallocated                         | (14125)                 | (6494)                  | (28335)                 | (13741)                 | (33562)               |
| <b>Total Profit Before Tax</b>         | <b>99886</b>            | <b>77682</b>            | <b>185869</b>           | <b>145986</b>           | <b>329926</b>         |
| <b>3 Capital Employed</b>              |                         |                         |                         |                         |                       |
| (Segment Assets - Segment Liabilities) |                         |                         |                         |                         |                       |
| a) Treasury                            | 5575099                 | 4047988                 | 5575099                 | 4047988                 | 6369467               |
| b) Retail Banking                      | (4874580)               | (3496295)               | (4874580)               | (3496295)               | (3432730)             |
| c) Wholesale Banking                   | 1250351                 | 679055                  | 1250351                 | 679055                  | (1227185)             |
| d) Other banking operations            | 375417                  | 389556                  | 375417                  | 389556                  | 392407                |
| e) Unallocated                         | (2326287)               | (1620304)               | (2326287)               | (1620304)               | (2101959)             |
| <b>Total</b>                           |                         |                         |                         |                         |                       |

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 organization structure, the internal business reporting system and the guidelines prescribed by RBI.

### Geographic Segments

Since the Bank does not have material earnings emanating outside India, the Bank is considered to operate in only the domestic segment.

(Rs. in lacs)

| <b>Summarised Balance Sheet</b>                        | <b>As at</b>      | <b>As at</b>      |
|--|-------------------|-------------------|
|  | <b>30.09.2009</b> | <b>30.09.2008</b> |
| <b>CAPITAL AND LIABILITIES</b>                         |                   |                   |
| Capital  | 42736             | 42503             |
| Equity Share Warrants                                  | 40092             | 40092             |
| Reserves and Surplus                                   | 1566958           | 1344607           |
| Employees Stock Options (Grants) Outstanding           | 291               | 735               |
| Deposits   | 14980532          | 13378052          |
| Borrowings   | 510166            | 615394            |
| Other Liabilities and Provisions*                      | 2253296           | 1755108           |
| <b>Total</b>   | <b>19394071</b>   | <b>17176491</b>   |
| <b>ASSETS</b>  |                   |                   |
| Cash and balances with Reserve Bank of India           | 1366452           | 1525557           |
| Balances with Banks and Money at Call and Short notice | 136952            | 211970            |
| Investments  | 5717003           | 4419519           |
| Advances   | 11367202          | 10222230          |
| Fixed Assets   | 198787            | 155899            |
| Other Assets   | 607675            | 641316            |
| <b>Total</b>   | <b>19394071</b>   | <b>17176491</b>   |

\* Includes subordinated debt and unsecured non-convertible subordinated perpetual bonds of Rs.638515 lacs as on September 30, 2009 (previous year: Rs.356525 lacs).

*NEWS RELEASE*

**HDFC BANK LTD. - FINANCIAL RESULTS (INDIAN GAAP) FOR  
THE QUARTER AND HALF-YEAR ENDED SEPTEMBER 30, 2009**

The Board of Directors of HDFC Bank Limited approved the Bank's (Indian GAAP) accounts for the quarter and half-year ended September 30, 2009 at their meeting held in Mumbai on Wednesday, October 14, 2009. The accounts have been subjected to a limited review by the Bank's statutory auditors.

**FINANCIAL RESULTS:**

**Profit & Loss Account: Quarter ended September 30, 2009**

For the quarter ended September 30, 2009, net revenues (net interest income plus other income) were Rs.2,963.2 crores, a growth of 18.1% over Rs.2,509.6 crores for the corresponding quarter ended September 30, 2008. Net interest income (interest earned less interest expended) for the quarter ended September 30, 2009 was Rs.1,955.8 crores, with net interest margin (NIM) at 4.2%, as against 4.1% in the preceding quarter ended June 30, 2009.

Non-interest revenues (other income) registered strong growth of 56.6%, from Rs.643.1 crores for the quarter ended September 30, 2008 to Rs.1,007.4 crores for the quarter ended September 30, 2009. The largest component of the non-interest revenues was fees and commissions of Rs.692.4 crores, up 17.9% over the corresponding quarter ended September 30, 2008. The other two components were foreign exchange revenues of Rs.151.0 crores and profit/(loss) on revaluation/sale of investments (primarily bond gains) of Rs.162.9 crores, as against Rs.67.5 crores and Rs.(15.6) crores respectively, for the corresponding quarter ended September 30, 2008. Profit on revaluation/sale of investments for the quarter ended September 30, 2009, was 36.4% lower than the preceding quarter ended June 30, 2009 and was 5.5% of net revenues in the current quarter as against 8.8% of net revenues in the quarter ended June 30, 2009. Continued improvements in productivity were evidenced in operating expenses remaining stable at Rs.1,370.2 crores and a consequent improvement in the core cost-to-income ratio from around 55% for the quarter ended September 30, 2008 to just under 50%. Provisions and contingencies (comprising primarily loan loss provisions) for the quarter ended September 30, 2009 were Rs.594.1 crores as against Rs.658.8 crores in the quarter ended June 30, 2009. After providing Rs.311.4 crores for taxation, the Bank earned a Net Profit of Rs.687.5 crores, an increase of 30.2% over the corresponding quarter ended September 30, 2008.

**Balance Sheet: As of September 30, 2009**

The Bank's total balance sheet size touched Rs.193,941 crores as of September 30, 2009. Total deposits were Rs.149,805 crores, up from Rs.133,781 crores as of September 30, 2008. With Current account deposits at Rs.32,170 crores and Savings account deposits at Rs.43,249 crores, total CASA deposits registered a growth of 28% over September 30, 2008 and 15% over June 30, 2009. The core CASA deposits increased to over 47% of total deposits during the quarter ended September 30, 2009 as against 44% as at September 30, 2008 and 45% as at June 30, 2009. Gross advances as at September 30, 2009 were Rs.115,104 crores, an increase of Rs.9,816 crores during the quarter. In the first half of the current financial year, the Bank's gross advances have grown by 14.8% (from April 1, 2009 till September 30, 2009) as against a growth of 3.7% for the banking system as a whole. Retail loans at Rs.62,652 crores were 54.4% of gross advances.

**Half-Year ended September 30, 2009**

For the half-year ended September 30, 2009, the Bank earned total income of Rs.10,136.0 crores as against Rs.8,849.5 crores in the corresponding period of the previous year. Net revenues (net interest income plus other income) for the six months ended September 30, 2009 were Rs.5,862.4 crores, as against Rs.4,826.5 crores for the six months ended September 30, 2008. Net Profit for the half-year ended September 30, 2009 was Rs.1,293.6 crores, up by 30.4% over the corresponding six months ended September 30, 2008.

**Capital Adequacy:**

The Bank's total Capital Adequacy Ratio (CAR) as at September 30, 2009 (computed as per Basel 2 guidelines) remained strong at 15.7%, as against the regulatory minimum of 9%. Tier-I CAR was 10.9% as of September 30, 2009.

**BUSINESS UPDATE:**

As of September 30, 2009, the Bank's distribution network had grown to 1,506 branches and 3,573 ATMs in 635 cities, as against 1,412 branches and 2,890 ATMs in 528 cities as of September 30, 2008.

Portfolio quality as of September 30, 2009 remained healthy, with gross non-performing assets (NPAs) at 1.8% of gross advances and net NPAs at 0.5% of net advances. This is an improvement from the position as of June 30, 2009 where the gross NPAs were 2.1% of gross advances and net NPAs were 0.6% of net advances. The Bank's provisioning for specific loan loss provisions for NPAs remained higher than regulatory requirements. The NPA coverage ratio based on specific provisions was at 70% as of September 30, 2009 as compared to 65% as of September 30, 2008. The total NPA coverage ratio based on total provisions (specific and general) continued to remain over 100%. Total restructured assets, including applications received for loan restructuring which were yet to be approved or implemented were 0.56% of the Bank's gross advances as of September 30, 2009. Of this amounts, categorized as standard assets were 0.25% of the Bank's gross advances.

Note:

Rs. = Indian Rupees

1 crore = 10 million

All figures and ratios are in accordance with Indian GAAP.

*Certain statements are included in this release which contain words or phrases such as will, aim, will likely result, believe, expect, will continue, anticipate, estimate, intend, plan, contemplate, seek to, future, objective, goal, project, should, will pursue and similar expressions or variations of these expressions that are forward-looking statements. Actual results may differ materially from those suggested by the forward-looking statements due to certain risks or uncertainties associated with our expectations with respect to, but not limited to, our ability to implement our strategy successfully, the market acceptance of and demand for various banking services, future levels of our non-performing loans, our growth and expansion, the adequacy of our allowance for credit and investment losses, technological changes, volatility in investment income, our ability to market new products, cash flow projections, the outcome of any legal, tax or regulatory proceedings in India and in other jurisdictions we are or become a party to, the future impact of new accounting standards, our ability to pay dividends, the impact of changes in banking regulation and other regulatory changes in India and other jurisdictions on us, our ability to roll over our short-term funding sources and our exposure to market and operational risks. By their nature, certain of the market risk disclosures are only estimates and could be materially different from what may actually occur in the future. As a result, actual future gains, losses or impact on net income could materially differ from those that have been estimated.*

*In addition, other factors that could cause actual results to differ materially from those estimated by the forward-looking statements include, but are not limited to: general economic and political conditions, instability or uncertainty in India and the other countries which have an impact on our business activities or investments, caused by any factor including terrorists attacks in India or elsewhere, anti-terrorist or other attacks by any country, military armament or social unrest in any part of India; the monetary and interest rate policies of the government of India; natural calamities, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices; the performance of the financial markets in India and globally; changes in Indian and foreign laws and regulations, including tax, accounting and banking regulations; changes in competition and the pricing environment in India; and regional or general changes in asset valuations.*