

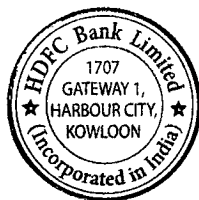
HDFC BANK LIMITED HONG KONG BRANCH
INTERIM DISCLOSURE STATEMENT

SECTION A - BRANCH INFORMATION (HONG KONG ONLY)

I. Profit and Loss Account

For the six months ended 30th September 2024

	<u>30.09.2024</u> (HK \$'000)	<u>30.09.2023</u> (HK \$'000)
<u>INCOME</u>		
Interest income	100,072	92,814
Interest expenses	<u>78,393</u>	<u>68,273</u>
Net interest income	21,679	24,541
 <u>Other Operating Income</u>		
Gross fees and commission income(Expenses-Nil)	7,376	4,336
Gains less losses from trading in foreign currencies	7,299	936
Gains less losses from trading in securities		(604)
Others	183	113
Total Operating Income	<u>36,537</u>	<u>29,322</u>
 <u>EXPENSES</u>		
<u>Operating Expenses</u>		
Staff expenses	10,769	9,591
Rent, taxes and lighting	733	733
Other expenses	2,725	2,739
 Operating Profit before Impairment Losses	 <u>22,310</u>	 <u>16,259</u>
 Impairment losses and provisions for impaired loans and receivables		
- Collective Provision	1,761	6,704
- Specific Provision	-	-
 Profit before Taxation	 20,549	 9,555
 Taxation Expense	 -	 -
 Profit after Taxation	 <u>20,549</u>	 <u>9,555</u>



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II. Balance Sheet

As at 30th September 2024

	30-09-24	31.03.2024
	(HK\$'000)	(HK\$'000)
<u>ASSETS</u>		
1 Cash and balances with banks	396,990	265,553
Placement with banks maturing between one and		
2 twelve months	562,292	559,787
3 Amount due from overseas offices	452,856	9,682
4 Trade Bills	1,150,226	260,700
5 Loans and Receivables		
Advances to customers	1,637,901	2,369,814
Advances to banks		
Accrued interest and other accounts	45,409	53,089
Provision for impaired loans and receivables		
- Collective	(31,766)	(30,217)
- Specific		
6 Investment Securities	76,725	82,018
7 Property, plant and equipment	740	888
Total Assets	4,291,373	3,571,314
<u>LIABILITIES</u>		
8 Deposits and balances of banks	842,677	626,782
9 Deposits from customers		
Demand deposits and current accounts	447,591	397,983
Savings deposits		
Time, call and notice deposits	1,543,149	1,533,274
10 Amount due to overseas offices	1,397,013	963,710
11 Negotiable Debt Instruments		
12 Other liabilities	60,943	49,565
13 Other Provisions	-	-
Total Liabilities	4,291,373	3,571,314



HDFC BANK LIMITED HONG KONG BRANCH
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III. Additional Information

1. Impaired Loans and Advances

There were no impaired loans and advances to banks and other financial institutions as at 30th September 2024 and 31st March 2024 .

There were no impaired loans and advances to other customers as at 30th September 2024 and 31st March 2024 .

	<u>30.09.2024</u> (HK\$ '000)	<u>31.03.2024</u> (HK\$ '000)
<u>2. Derivatives</u>		
a) Notional Amount		
i) Exchange rate contracts	5,933,443	2,045,597
ii) Interest rate contracts	-	-
TOTAL	<u>5,933,443</u>	<u>2,045,597</u>
b) Fair Value of Derivative contracts (Gross)		
i) Exchange rate contracts	(428)	18,456
ii) Interest rate contracts	-	-
TOTAL	<u>(428)</u>	<u>18,456</u>

There are no bilateral netting arrangements and hence there is no effect on the fair value of the derivatives.

3. Off Balance Sheet Exposure other than derivative transactions

	<u>30.09.2024</u> HK\$ '000	<u>31.03.2024</u> HK\$ '000
Notional Amount		
i) Direct credit substitutes	128,013	128,797
ii) Trade related contingent items	1,401,422	716,907
iii) Other commitments	-	-
TOTAL	<u>1,529,435</u>	<u>845,704</u>



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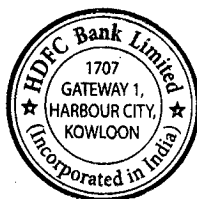
III. Additional Information - continued

4. International Claims

	As at 30th September 2024					Total
	Banks	Official Sector	Non bank Financial Institutions	Non-Financial private sector	Others	
	(HK\$ in Million)					
Developed countries	903	78		38		1,019
of which United Kingdom	409			37		446
of which USA	214	78				292
of which Germany	195					195
Offshore centres	910			421		1,331
of which Bahrain	212			26		238
of which Singapore	530					530
Developing Latin America and Carribean						-
Developing Europe						-
Developing Africa & Middle East	159			50		209
of which UAE	159			34		193
Developing Asia and Pacific	619			1,145		1,764
of which India	549			1,117		1,666
	2,591	78	-	1,654	-	4,323

	As at 31st March 2024					Total
	Banks	Official Sector	Non bank Financial Institutions	Non-Financial private sector	Others	
	(HK\$ in Million)					
Developed countries	764	79		36		879
of which United Kingdom	412			35		447
of which USA	114	79				193
of which Germany	188					188
Offshore centres	292			1,149		1,441
of which Bahrain				577		577
of which Singapore	133			118		251
Developing Latin America and Carribean						-
Developing Europe						-
Developing Africa & Middle East	6			56		62
of which UAE	6			39		45
Developing Asia and Pacific	71			1,148		1,219
of which India	18			1,124		1,142
	1,133	79	-	2,389	-	3,601

International claims are derived according to the location of counter parties on which the ultimate risk lies after taking into account any transfer of risk.



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III. Additional Information - continued

5. Advances to customers

	30.09.2024 (HK\$ '000)	31.03.2024 (HK\$ '000)
i) By Sectors		
<u>Loans for use in Hong Kong</u>		
a) Industrial, commercial & financial wholesale and retail trade	-	-
b) Manufacturing		
c) Individual & Professionals		
For other* business purposes		
For other* private purposes	386,474	445,727
d) Others		
Trade Financing		
<u>Loans for use outside Hong Kong</u>	1,251,427	1,924,087
TOTAL	1,637,901	2,369,814

* Other than for purchase of residential properties or credit card advances

**The total loans are covered by collateral or other security to the extent of \$1,637,898 (HK\$'000) as at 30th September 2024 and \$ 2,369,810 (HK\$'000) as at 31st March 2024..

ii) By Geographical Areas

Hong Kong	386,474	445,727
India	1,112,297	1,116,284
Bahrain	25,843	576,256
Others	113,287	231,547
TOTAL	1,637,901	2,369,814

Geographical locations are based on the physical location of the borrower. Risk transfer is only made if the claim is guaranteed by a party in a country which is different from the counterparty.



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SECTION A - BRANCH INFORMATION (HONG KONG ONLY)

III. Additional Information - continued

6 Overdue and Rescheduled Assets

There were no loans and advances to customers overdue for more than 3 months as at 30th September 2024 and 31st March 2024 .

There were no overdue of loans and advance to banks as at 30th September 2024 and 31st March 2024 .

There were no rescheduled loans and advance to customers and banks as at 30th September 2024 and 31st March 2024 .

There were no repossessed assets held as at 30th September 2024 and 31st March 2024 .

There were no other overdue assets as at 30th September 2024 and 31st March 2024 .



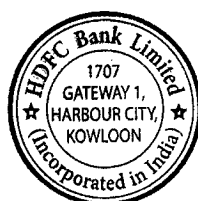
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SECTION A - BRANCH INFORMATION (HONG KONG ONLY)

III. Additional Information - continued

7. Mainland Activities Exposures

		30.9.2024 (HK\$ million)			31.3.2024 (HK\$ million)		
		On Balance	Off Balance	Total	On Balance	Off Balance	Total
		Sheet Exposure	Sheet Exposure		Sheet Exposure	Sheet Exposure	
1	Central government, central government-owned entities and their subsidiaries and joint ventures (JVs)	-	-	-	-	-	-
2	Local governments, local government-owned entities and their subsidiaries and JVs	-	-	-	-	-	-
3	PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	-	-	-	-	-	-
4	Other entities of central government not reported in item 1 above	-	-	-	-	-	-
5	Other entities of local governments not reported in item 2 above	-	-	-	-	-	-
6	PRC nationals residing outside Mainland China or entities incorporated outside Mainland China where the credit is granted for use in Mainland China	-	-	-	-	-	-
7	Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China	-	-	-	-	-	-
Total		-	-	-	-	-	-
Total assets after provision		4,291			3,571		
On-balance sheet exposures as percentage of total assets		0%			0%		



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SECTION A - BRANCH INFORMATION (HONG KONG ONLY)

III. Additional Information - continued

8. Foreign Currency Exposure

The position in a particular currency will be reported if the net position (in absolute terms) constitutes 10% or more of the total net position in all foreign currencies.

30.9.2024

	US\$	GBP	JPY	EURO (HK\$ million)	AUD	CHF	Total
Spot assets	3,944	15	11	198	9	43	4,220
Spot liabilities	(4,008)	(4)	(1)	(204)	(2)		(4,219)
Forward purchases	2,946	14	47	23	6		3,036
Forward sales	(2,937)	(13)	(53)	(11)	(10)	(42)	(3,066)
Net options	-	-	-	-	-	-	-
Net long (short) position	(55)	12	4	6	3	1	(29)

31.3.2024

	US\$	GBP	JPY	EURO (HK\$ million)	AUD	CHF	Total
Spot assets	2,692	46	7	193	8	591	3,537
Spot liabilities	(3,223)	(4)	-	(300)	-	(3)	(3,530)
Forward purchases	1,264	17	-	120	8	8	1,417
Forward sales	(716)	(59)	(5)	(13)	(15)	(596)	(1,404)
Net options	-	-	-	-	-	-	-
	17	-	2	-	1	-	20



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SECTION A - BRANCH INFORMATION (HONG KONG ONLY)

III. Additional Information - continued

9. Liquidity

	Six Months ended 30.9.2024	Six Months ended 30.9.2023
Average Liquidity Maintenance Ratio	<u>140.28%</u>	<u>126.75%</u>

Average Liquidity Maintenance Ratio is calculated as the simple average of each month's average liquidity ratio for the first six months of the financial year computed in accordance with Banking Liquidity Rules.

	Three Months ended 30.9.2024	Three Months ended 30.6.2024	Three Months ended 30.9.2023	Three Months ended 30.6.2023
Average Liquidity Maintenance Ratio	<u>122.56%</u>	<u>158.00%</u>	<u>112.93%</u>	<u>140.57%</u>

Average Liquidity Maintenance Ratio is calculated as the simple average of each month's average liquidity ratio for the three months of the quarter computed in accordance with Banking Liquidity Rules.

LIQUIDITY RISK MANAGEMENT FRAMEWORK

The liquidity risk management process is centralized at the Head Office and guided by the Board approved ALM policies for the Hong Kong Branch as well as entire Bank. The risk management process operates in the following hierarchical manner:

Board of Directors

The Board has the overall responsibility for management of liquidity and interest rate risks. The Board decides the strategy, policies and procedures of the Bank to manage liquidity and interest rate risk in accordance with the risk tolerance/ limits.

Risk Policy & Monitoring Committee ('RPMC') of the Board

The Risk Policy and Monitoring Committee (RPMC) a Board level committee, which supports the Board by supervising the implementation of the risk strategy. It guides the development of policies, procedures and systems for managing risk.

Asset Liability Committee ('ALCO')

ALCO is a decision-making unit responsible for ensuring adherence to the risk tolerance/limits set by the Board as well as implementing the liquidity and interest rate risk management strategy of the Bank in line with the Bank's risk management objectives and risk tolerance. ALCO at Head Office oversees functioning of liquidity and interest rate risk management at the Branch.

ALM Support Group

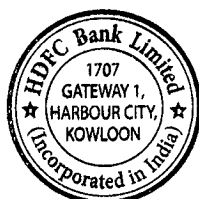
ALM support group is responsible for analyzing, monitoring and reporting the relevant risk profiles to senior management and relevant committees.

Funding Strategy

The Hong Kong treasury department follows a funding strategy that ensures the risk limits are not breached and applicable regulations are complied with. The Hong Kong treasury department ensures diversified and stable funding sources on an ongoing basis across money market borrowing, retail/wholesale deposits, trade borrowings and loans. Hong Kong branch is also enabled under the Medium Term Notes Programme of the Bank to issue bonds as and when required. Further, it optimizes the funding through intra-group borrowings.

Risk Measurement Systems and reporting:

Liquidity Risk is measured using flow approach and stock approach. Flow approach involves comprehensive tracking of cash flow mismatches. Stock approach involves monitoring of critical ratios in respect of liquidity risk. The Bank monitors the Liquidity Maintenance Ratio (LMR) as per regulatory guidelines. Analysis of liquidity risk also involves examining how funding requirements are likely to be affected under crisis scenarios. The Bank has a Board approved liquidity stress framework guided by the regulatory instructions.



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INTERIM DISCLOSURE STATEMENT
SECTION A - BRANCH INFORMATION (HONG KONG ONLY)

III. Additional Information - continued

Liquidity Risk Mitigation

The Liquidity risk management includes analysis of sources and uses of funds, an understanding of the funding markets in which the bank operates.

Liquidity Risk is measured using flow approach and stock approach. Flow approach involves comprehensive tracking of cash flow mismatches. For measuring and managing net funding requirements, the use of a maturity ladder and calculation of cumulative surplus or deficit of funds at selected maturity dates is adopted as a standard tool.

Stock approach involves measurement of certain critical ratios in respect of liquidity risk. Bank has also adopted the Basel III framework on liquidity standards at consolidated level. It has also put in place requisite systems and processes to compute and maintains LMR for the Hong Kong Branch. In addition to the regulatory limit, Branch also maintains Target LMR which is higher than the regulatory minimum requirement which acts as liquidity cushion above the regulatory requirements.

Liquidity Risk Stress Testing

The liquidity stress testing framework is guided by relevant guidelines issued by RBI and HKMA. The liquidity stress testing framework covers a range of scenarios viz. "institution specific stress," "general market stress" and "combined" stress scenario and is done on a quarterly basis. The stress testing exercise is conducted at Hong Kong Branch level as well as consolidated Bank level.

ALCO is responsible for the implementation of the stress testing framework. It shall periodically review the results of the stress testing assessed for the various risk exposures and guide the bank on adopting mitigating measures. Stress testing results are also tabled at the ICAAP Review Committee on a quarterly basis, to RPMC on half yearly basis and to Board on an annual basis.

Contingency Funding Plan

The Bank has put in place an ALCO/Board approved "Contingency Funding Plan" (CFP) as per the guidelines issued by Reserve Bank of India. The objective of the CFP is to provide a process for managing liquidity under adverse conditions. In case of any contingency at the Hong Kong branch, HO shall provide requisite funding when such contingency is conveyed by the branch. There are no legal and regulatory restrictions in India in term of HO lending funds to a branch overseas.

In case of any contingency at HO, the Bank has set up a comprehensive plan covering early warning indicators, formation of crisis management team, reporting and communication plan and mitigation measures. However, no support will be assumed from overseas branches in case of contingency for the HO.

In addition to the Bank level contingency plan and the stress testing framework applicable to the Hong Kong branch, the Hong Kong branch has also defined early warning indicators specific to the branch to identify potential liquidity stress, if any.



HDFC BANK LIMITED HONG KONG BRANCH
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III. Additional Information - continued

10. Remuneration Policy

a) The design and implementation of the remuneration system.

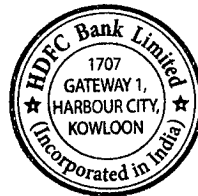
The Remuneration policy of the Bank is decided by the Board of Directors and is detailed in the Bank's Global Financial Statements available in the Bank's Website.

b) Aggregate quantitative information on remuneration for senior management and key personnel (see Note) six months ended 30th September 2024 are as follows

	HK\$	Number of Beneficiaries
Fixed Remuneration	2,146,792	2
Variable Remuneration	1,183,220	2
Deferred Remuneration	C 0	0
Total	3,330,012	2

No senior management or key personnel has been awarded with new sign-on or severance payment during the for the six months ended 30th September 2024

Note: As advised in the CG 5- Guidelines on a sound remuneration system issued by HKMA, senior management personnel are those who are responsible for oversight of either the Bank's company-wise strategy or activities or those of the Bank's main business lines. Key personnel are individual employees whose duties or activities in the course of their employment involve the assumption of material risk or the taking on material exposure on behalf of the Bank.



HDFC BANK LIMITED HONG KONG BRANCH
INTERIM DISCLOSURE STATEMENT
SECTION B - BANK INFORMATION CONSOLIDATED BASIS

AVAILABLE FROM THE BANK'S WEBSITE

1. Capital and Capital Adequacy

	<u>31.3.2024</u> (HK\$ '000)	<u>31.3.2023</u> (HK\$ '000)
i) Shareholders' Funds	428,138,133 *	276,510,628 **
ii) Capital Adequacy Ratio***		
***Capital Adequacy Ratio is calculated in accordance with the requirements of Reserve Bank of India.	<u>18.52%</u>	<u>19.02%</u>

2. Other financial information

Total Assets	<u>3,780,670,038</u> *	<u>2,417,418,142</u> **
Total Liabilities	<u>3,352,531,904</u> *	<u>2,140,907,514</u> **
Total Advances	<u>2,407,027,589</u> *	<u>1,587,723,229</u> **
Total Customer Deposits	<u>2,209,582,983</u> *	<u>1,772,604,996</u> **
	Year ended <u>31.3.2024</u>	Year ended <u>31.3.2023</u>
Pre-tax Profit	<u>70,529,212</u> *	<u>58,606,926</u> **

*Indian Rupee converted to HK\$ @10.66 (31st March 2024)

**Indian Rupee converted to HK\$ @10.4675 (31st March 2023)

Declaration of Chief Executive

We have prepared the financial disclosure statement of HDFC Bank , Hong Kong Branch for the six months ended 30th September 2024. The information disclosed complies fully with the Banking (Disclosure) Rules made by the Hong Kong Monetary Authority under Section 60A of the Banking Ordinance (Cap.155). To the best of my knowledge, the Disclosure Statement is not false or misleading.



DOLREICH D'MELLO
 Alt. Chief Executive
 Hong Kong

