

November 18, 2025

Singapore Exchange Securities Trading Limited

2 Shenton Way
02-00 SGX Centre 1
Singapore 068804

Dear Sir,

Sub: Intimation of Credit Rating by India Ratings and Research Private Limited

We wish to inform that India Ratings and Research Private Limited has assigned/affirmed the ratings to various instruments of the Bank on November 17, 2025. The summary of the ratings assigned/affirmed is given below.

Instrument Type	Maturity Date	Size of Issue (Billion)	Rating/Outlook	Rating Action
Long Term Issuer Rating		-	IND AAA/Stable	Affirmed
Certificates of deposit	7-365 days	INR 300	IND A1+	Assigned
Certificates of deposit	7-365 days	INR 950	IND A1+	Affirmed
Fixed deposits		-	IND AAA/Stable	Affirmed
Infrastructure bonds		INR 200	IND AAA/Stable	Affirmed
Basel-III compliant Tier 2 bonds		INR 250	IND AAA/Stable	Affirmed
Basel-III compliant Tier 1 bonds		INR 150	IND AA+/Stable	Affirmed

The rating letter and the rationale issued by India Ratings and Research Private Limited is annexed herewith for your information and record.

This is for your information and appropriate dissemination.

**Yours faithfully,
For HDFC Bank Limited**



**Ajay Agarwal
Company Secretary
Group Head – Secretarial & Group Oversight**

Mr. Jimmy Tata
Chief Credit Officer
HDFC Bank Limited.
5th Floor, HDFC Bank House,
Senapati Bapat Marg,
Lower Parel – West,
Mumbai - 400013

November 17, 2025

Dear Sir/Madam,

Re: Rating of Certificate of Deposits of HDFC Bank Limited

India Ratings and Research (Ind-Ra) has taken following rating action on HDFC Bank Limited's (HDFC) commercial paper as follows:

Instrument Type	Date of Issuance	Coupon Rate	Maturity Date	Size of Issue (billion)	Rating/Outlook	Rating Action
Certificates of deposit	-	-	7-365 days	INR300	IND A1+	Assigned
Certificates of deposit	-	-	7-365 days	INR950	IND A1+	Affirmed

In issuing and maintaining its ratings, India Ratings relies on factual information it receives from issuers and underwriters and from other sources India Ratings believes to be credible. India Ratings conducts a reasonable investigation of the factual information relied upon by it in accordance with its ratings methodology, and obtains reasonable verification of that information from independent sources, to the extent such sources are available for a given security or in a given jurisdiction.

The manner of India Ratings' factual investigation and the scope of the third-party verification it obtains will vary depending on the nature of the rated security and its issuer, the requirements and practices in the jurisdiction in which the rated security is offered and sold and/or the issuer is located, the availability and nature of relevant public information, access to the management of the issuer and its advisers, the availability of pre-existing third-party verifications such as audit reports, agreed-upon procedures letters, appraisals, actuarial reports, engineering reports, legal opinions and other reports provided by third parties, the availability of independent and competent third-party verification sources with respect to the particular security or in the particular jurisdiction of the issuer, and a variety of other factors

Users of India Ratings' ratings should understand that neither an enhanced factual investigation nor any third-party verification can ensure that all of the information India Ratings relies on in connection with a rating will be accurate and complete. Ultimately, the issuer and its advisers are responsible for the accuracy of the information they provide to India Ratings and to the market in offering documents and other reports. In issuing its ratings India Ratings must rely on the work of experts, including independent auditors with respect to financial statements and attorneys with respect to legal and tax matters. Further, ratings are inherently forward-looking and embody assumptions and predictions about future events that by their nature cannot be verified as facts. As a result, despite any verification of current facts, ratings can be affected by future events or conditions that were not anticipated at the time a rating was issued or affirmed.

India Ratings seeks to continuously improve its ratings criteria and methodologies, and periodically updates the descriptions on its website of its criteria and methodologies for securities of a given type. The criteria and methodology used to determine a rating action are those in effect at the time the rating action is taken, which for public ratings is the date of the related rating action commentary. Each rating action commentary provides information about the criteria and methodology used to arrive at the stated rating, which may differ from the general criteria and methodology for the applicable security type posted on the website at a given time. For this reason, you should always consult the applicable rating action commentary for the most accurate information on the basis of any given public rating.

Ratings are based on established criteria and methodologies that India Ratings is continuously evaluating and updating. Therefore, ratings are the collective work product of India Ratings and no individual, or group of individuals, is solely responsible for a rating. All India Ratings reports have shared authorship. Individuals identified in an India Ratings report were involved in, but are not solely responsible for, the opinions stated therein. The individuals are named for contact purposes only.

Ratings are not a recommendation or suggestion, directly or indirectly, to you or any other person, to buy, sell, make or hold any investment, loan or security or to undertake any investment strategy with respect to any investment, loan or security or any issuer. Ratings do not comment on the adequacy of market price, the suitability of any investment, loan or security for a particular investor (including without limitation, any accounting and/or regulatory treatment), or the tax-exempt nature or taxability of payments made in respect of any investment, loan or security. India Ratings is not your advisor, nor is India Ratings providing to you or any other party any financial advice, or any legal, auditing, accounting, appraisal, valuation or actuarial services. A rating should not be viewed as a replacement for such advice or services. Investors may find India Ratings ratings to be important information, and India Ratings notes that you are responsible for communicating the contents of this letter, and any changes with respect to the rating, to investors.

It is important that you promptly provide us with all information that may be material to the ratings so that our ratings continue to be appropriate. For the purpose of issuance of the instrument, this letter is valid for 30 calendar days from the date of the letter. Once the instrument is issued, the above rating is valid for a maximum period of 1 year from the date of issuance. Notwithstanding the above, the rating is subject to review on a continuing basis, with formal reviews being undertaken at regular intervals of no more than 12 months. Ratings may be raised, lowered, withdrawn, or placed on Rating Watch at any time due to changes in, additions to, accuracy of or the inadequacy of information or for any other reason India Ratings deems sufficient.

Nothing in this letter is intended to or should be construed as creating a fiduciary relationship between India Ratings and you or between India Ratings and any user of the ratings.

In this letter, "India Ratings" means India Ratings & Research Pvt. Ltd. and any successor in interest.

We are pleased to have had the opportunity to be of service to you. If we can be of further assistance, please email us at infogrp@indiaratings.co.in

Sincerely,

India Ratings



Jinay Gala
Director

India Ratings Affirms HDFC Bank and its Debt Instruments at ‘IND AAA’/Stable; Rates Additional CDs at ‘IND A1+’

Nov 17, 2025 | Private Sector Bank

India Ratings and Research (Ind-Ra) has affirmed HDFC Bank Limited’s (HDFC) Long-Term Issuer Rating at ‘IND AAA’ with a Stable Outlook. The instrument-wise rating actions are as follows:

Details of Instruments

Instrument Type	Date of Issuance	Coupon Rate	Maturity Date	Size of Issue (billion)	Rating/Outlook	Rating Action
Long-Term Issuer Rating	-	-	-	-	IND AAA/Stable	Affirmed
Certificates of deposit	-	-	7-365 days	INR300	IND A1+	Assigned
Certificates of deposit	-	-	7-365 days	INR950	IND A1+	Affirmed
Fixed deposits	-	-	-	-	IND AAA/Stable	Affirmed
Infrastructure bonds@	-	-	-	INR200	IND AAA/Stable	Affirmed
Basel-III compliant Tier 2 bonds@	-	-	-	INR250	IND AAA/Stable	Affirmed
Basel-III compliant Tier 1 bonds*	-	-	-	INR150	IND AA+/Stable	Affirmed

* Details in Annexure

Analytical Approach

Ind-Ra continues to fully consolidate HDFC’s [subsidiaries](#) while arriving at the ratings.

Detailed Rationale of the Rating Action

The ratings reflect HDFC’s financial strength, diverse earning profile, and sustained strong through-the-cycle performance in the Indian banking system. The systemic importance of HDFC continues to be reflected in its pole position among private banks and second-largest position after State Bank of India (‘[IND AAA’/Stable](#)), as well as it being classified as a domestic systemically-important bank since 2017 by the Reserve Bank of India (RBI). The bank’s retail focus on both the asset and liability sides has resulted in a high-yielding granular asset book, and a stable and strong funding profile.

Furthermore, in Ind-Ra’s opinion, the bank’s strong capital buffers and market access to raise capital provides it the ability to target higher-than-system advances growth, which is only limited by the high loan-to-deposit ratio which has resulted from the successful amalgamation with its promoter HDFC Limited (HDFCL) effective 1 July 2023. The amalgamation,

however, has further strengthened its retail franchise on the asset side and is likely to assist in providing a runway for increasing the customer wallet share by deepening the relationships.

For additional tier 1 (AT1) instruments, the agency considers the discretionary component, coupon omission risk and the write-down/conversion risk as the key parameters to arrive at the rating. Ind-Ra recognises the unique going-concern loss absorption features that these bonds carry and differentiates them from the bank's senior debt, factoring in a higher probability of an ultimate loss for investors in these bonds.

List of Key Rating Drivers

Strengths

- Largest bank with high systemic importance
- Stable through-the-cycle performance
- Loan growth in-line with industry, led by business corporate and commercial and rural banking (CRB) portfolio
- Subsidiaries create strong presence across financial services value chain
- Strong capital buffers supported by resilient internal accruals; markets access remains robust for capital raising
- Strong focus on deposit growth and current account savings account (CASA) franchise build-up to continue
- High provision coverage ratio, additional provisions and strong profitability buffers provide comfort

Weaknesses

- Focus on bringing equilibrium to loan-to-deposit (LDR) constrains near-term loan growth

Detailed Description of Key Rating Drivers

Largest Bank with High Systemic Importance: At FYE25, HDFC remained the second-largest bank and the largest private sector bank in the country with an increase in its market share in deposits to 12.0% and net advances to 14.4%. The market share gap with the third-largest bank in the Indian banking system widened significantly after the amalgamation on 1 July 2023. The systemic importance of HDFC is also reflected in RBI classifying it as a domestic systematically important bank. With a widespread network of 9,545 branches and its target to increase the same on an ongoing basis apart from its increasing presence in the rural and semi-urban geographies, HDFC demonstrates its ever-growing appetite to expand the customer base.

Stable Through-the-cycle Performance: HDFC's strength lies in its strong credit underwriting skills and risk management as reflected in its low credit costs, widespread reach in terms of geographic presence and customer base, wide product offering creating an opportunity for deep entrenchment in the customer ecosystem and strong liability franchise. This, among other factors has resulted in stable through-the-cycle profitability for the bank, as reflected in its strong operating buffers (pre-provisioning operating profit/provisions) of 8.6x in FY25 (FY24: 4.0x; FY23: 6.0x), driven by a healthy fee income profile. The bank is gradually benefitting from a continuous improvement in the operational leverage and growth in its scale of operations, leading to its cost-to-income ratio moderating to 35.7% in 1HFY26 (FY25: 40.5%; FY24: 40.2%). Its net interest margins (NIMs) contracted modestly 8bp qoq to 3.27% in 2QFY26 (FY25: 3.48%).

With asset repricing largely complete, its margins appear to have bottomed out in 2QFY26. Based on the duration profile of liabilities, full repricing typically takes four-to-five quarters. Hence, Ind-Ra expects deposit repricing tailwinds to support margins over the coming quarters. Additionally, continued replacement of high-cost borrowings and the benefit from the cut in cash reserve ratio (CRR; 100bp till November 2025 to 3% from 4%) should further aid margin expansion. Among peers, HDFC has witnessed one of the most stable profitability profiles over the years with a stable return on average assets of 1.8%-2.1% over FY14-FY25 (FY25: 1.8%; FY24: 2.0%; FY23: 2.1%; FY22: 2.0%).

Loan Growth in-line with Industry, led by Business Corporate and CRB Portfolio: During 2QFY26, HDFC's overall advances grew 4.5% qoq, led by 4.72% qoq growth in corporate loans, which was mostly opportunistic and largely being in brownfield and working capital loans. The bank focuses on growing its CRB portfolio, expanded 4.2% qoq in 2QFY26 and formed 25.1% of the overall loan book. The CRB segment has expanded its presence to 2,35,000 villages and aims at

covering ~70% of rural India in the medium term. Despite a moderation in growth over the past few years, the management reassured that there are no indications of asset quality concerns and portfolio continues to be a vital source of priority sector lending (PSL) assets for the bank.

Retail commands 51.7% share of the loan book as compared to 39.3% pre-merger and growth in retail remained reasonably strong, with both retail mortgages and non-mortgages portfolios growing 6.7% yoy and 12.2% yoy, respectively. Its personal loans portfolio grew 8.8% yoy. Growth in the payment products loan book was at 4.6% yoy. Auto loans posted 10.2% yoy growth.. HDFC continues to focus on mortgages as it provides better customer relationships. As of 2QFY26, home and loan against property (LAP) segments together contributed about 30.9% to the overall book compared to 12% before the merger. This has increased the secured share of the overall book and provides enhanced scale for cross-selling in the medium term.

Subsidiaries Create Strong Presence across Financial Services Value Chain: Post-amalgamation, HDFC has a strong presence across the financial services value chain spanning banking, brokerage, asset management, and life and general insurance. However, the contribution of the bank's subsidiaries to the consolidated profitability of the group is limited with profit after tax contribution of 4.9% in 2QFY26. Among the subsidiaries, the life insurance business had a 17% market share for individual weighted received premium among private life insurance players in India in 2QFY26, while the general insurance business also had a gross direct premium market share of 4.5% position basis 2QFY26 premiums. The asset management business had a market share of 11.4% with a 25% penetration in the mutual fund industry. HDFC also held a 74.19% stake in HDB Financial Services Ltd and floated an initial public offering of its subsidiary in 1QFY26.

Strong Capital Buffers Supported by Resilient Internal Accruals; Markets Access Remains Robust for Capital Raising: HDFC's standalone common equity tier-1 (CET1) ratio stood at 17.5% in 2QFY26 (FY25: 17.2%, FY24: 16.3%, FY23: 16.4%), at the higher end of its peer range. The bank had raised equity worth about INR240 billion in July-August 2018 from its promoters and other investors. The agency believes, despite the significant pick-up in loan growth in the banking system, the capital levels still provide HDFC a sufficient cushion for the next two-to-three years. The bank's strong profitability also aids capital buffers. The agency believes the stable through-the-cycle performance track record gives the bank a strong ability to raise funds from equity markets on an ongoing basis. HDFC also has board approvals in place to raise funds through bonds.

Strong Focus on Deposit Growth and CASA Franchise Build-up to Continue: HDFC continues to outpace the industry in terms of deposits growth at 12.1% yoy, driven by the ongoing addition of new branches and improved productivity of its newer branches. Ind-Ra expects this strategic emphasis on expansion and productivity to sustain and potentially accelerate deposit growth in the medium term.

HDFC's deposits grew 3.2% year-to-date (YTD) in 1HFY26, outpacing the system-level deposit growth, with retail deposits accounting for about 83% which greatly improved the granularity in deposits mix. With the aim to significantly grow the branch network by FY27 and deepening of franchise in rural and semi-urban areas, the agency believes that the tailwinds for HDFC on deposit growth are likely to continue in the near- to medium term. HDFC's CASA deposit ratio reduced to 33.9% in 2QFY26 (2QFY25: 35.3%) from that on a pre-amalgamated basis of 44.4% in FY23. The concentration in deposits remains lower than its peers with the top depositors constituting 4.32% of the total deposits in FY25 (FY24: 3.33%).

High Provision Coverage Ratio, Additional Provisions and Strong Profitability Buffers Provide Comfort: Compared to most peer-rated private banks that experienced volatility in gross non-performing assets (NPAs) over FY16-FY25, HDFC's efficient risk management practices have helped it in maintaining gross NPAs at 0.9%-1.5%, well below that of the rated peers. The bank's gross NPAs declined to 1.24% qoq in 2QFY26 (FY25: 1.33%; FY24: 1.24%; FY23: 1.12%), largely led by INR16 billion recovery in erstwhile HDFCL portfolio which was later added to floating and contingent buffers of INR381 billion which was 3.33x of net NPA in 2QFY26. It had a provision coverage ratio (excluding prudential write-offs) of 66.6% in 2QFY26 (FY25: 67.9%; FY24: 74%; FY23: 76%).

The net NPA to CET 1 capital stood at 2.35% in 2QFY26 (FY25: 2.47%; FY24: 2.0%; FY23: 1.7%). Furthermore, with the strong operating buffers (pre-provisioning operating profit/provisions) of 8.6x in FY25 (FY24: 4.0x; FY23: 6.0x) already in place, the agency believes HDFC is better positioned to face any elevated asset quality stress than most of its peers.

While Ind-Ra derives significant comfort from the granular book of the bank, a significant exposure to micro, small and medium enterprises, and unsecured retail segments is a key monitorable as the agency holds a cautious view on asset quality in these segments.

Focus on Bringing Equilibrium to LDR Constrains Near-term Loan Growth: HDFC’s CD ratio has steadily declined from a post-merger peak of 110% in 3QFY24 to 96.5% in 4QFY25 and 95.1% in 1QFY26. However, with improving credit demand of 4.5% qoq , outpacing deposit growth of 1.4% qoq, delivering CD ratio of 98%. The management reiterated that its strategic plan to bring the CD ratio back to the pre-merger operating range of 85%–90% remains on track, subject to seasonal variations. Additionally, the bank plans to use excess liquidity generated from the reduced LDR for prepayment of liabilities, thereby strengthening its balance sheet and ensuring sustainable growth.

Liquidity

Superior: HDFC had an overall funding deficit of 1.60% in the cumulative one-year bucket (excluding foreign currency exposure on assets and liabilities) as a percentage of the total assets in FY25. The bank also maintained about 23.0% of total assets in balances with the RBI and government securities in FY25, which provides Ind-Ra the comfort that HDFC is more than adequately placed to meet its short-term funding requirements. Moreover, HDFC maintained a liquidity coverage ratio of 120% at 2QFYE26 (FYE25: 119%; FYE24: 115%; FYE23: 115.51%; FYE22: 112%), against the regulatory requirement of 100%.

Rating Sensitivities

Positive: Not applicable

Negative: The Outlook could be revised to Negative if the asset quality starts deteriorating sharply and the credit costs are high on a sustained basis. The ratings could be downgraded if there is a material impact to Tier I capitalisation levels with CET 1 falling below 11.5% on a sustained basis, net non-performing asset to CET 1 capital rising sharply higher than that of its peer group, a significant erosion of franchise – a reduction of deposits or advances market share, all on a sustained basis, or a weakening of the relative competitiveness in the banking space. Weakened liquidity or the funding profile may also result in a negative rating action.

Any Other Information

Not applicable

ESG Issues

ESG Factors Minimally Relevant to Rating: Unless otherwise disclosed in this section, the ESG issues are credit neutral or have only a minimal credit impact on HDFC, due to either their nature or the way in which they are being managed by the entity. For more information on Ind-Ra’s ESG Relevance Disclosures, please click [here](#). For answers to frequently asked questions regarding ESG Relevance Disclosures and their impact on ratings, please click [here](#).

About the Company

HDFC is the largest private sector bank in terms of advances as well as deposits. At end-2QFY26, its net advances stood at INR27,463 billion. The bank has a large retail footprint, with a leading market share across multiple product lines. At end-2QFY26, HDFC had a network of 9,545 branches and 220,399 employees.

Key Financial Indicators

Particulars - Standalone	FY25	FY24
Total assets (INR billion)	39,102.0	36,176.2
Total equity (INR billion)	5,014.3	4,402.5

Net income (INR billion)	673.5	608.1
Return on assets (%)	1.79	2.0
CET1 (%)	17.2	16.3
Capital adequacy ratio (%)	19.6	18.8
Source: HDFC, Ind-Ra		

Particulars - Consolidated	FY25	FY24
Total assets (INR billion)	43,924.2	40,301.4
Total equity (INR billion)	5,217.9	4,563.9
Net income (INR billion)	734.4	654.5
Source: HDFC, Ind-Ra		

Status of Non-Cooperation with previous rating agency

Not applicable

Rating History

Instrument Type	Current Rating/Outlook			Historical Rating/Outlook		
	Rating Type	Rated Limits (billion)	Rating	4 December 2024	5 December 2023	8 February 2023
Issuer rating*	Long-term	-	IND AAA/Stable	IND AAA/Stable	IND AAA/Stable	IND AAA/Stable/IND A1+
Lower Tier-2 subordinated debt#	Long-term	INR34.77	-	-	-	WD
Certificates of deposit	Short-term	INR1,250	IND A1+	IND A1+	IND A1+	IND A1+
Fixed deposits	Long-term	-	IND AAA/Stable	IND AAA/Stable	IND AAA/Stable	IND AAA/Stable
Basel-III compliant Tier 1 bonds	Long-term	INR150	IND AA+/Stable	IND AA+/Stable	IND AA+/Stable	IND AA+/Stable
Infrastructure bonds	Long-term	INR200	IND AAA/Stable	IND AAA/Stable	IND AAA/Stable	IND AAA/Stable
Basel-III compliant Tier 2 bonds	Long-term	INR250	IND AAA/Stable	IND AAA/Stable	IND AAA/Stable	IND AAA/Stable

*Short-term issuer rating was withdrawn on 10 March 2023

Complexity Level of the Instruments

Instrument Type	Complexity Indicator
Basel-III compliant Tier 1 bonds	High
Basel-III compliant Tier 2 bonds	Moderate
Certificate of deposit	Low
Fixed Deposits	Low
Infrastructure bonds	Low

For details on the complexity level of the instruments, please visit <https://www.indiaratings.co.in/complexity- indicators>.

Annexure

ISIN	Instrument	Date of Issue	Coupon Rate (%)	Maturity Date	Size of Issue (billion)	Rating/Outlook
INE040A08419	Basel-III compliant Tier 1 bonds	8 September 2022	7.84	Perpetual	INR30	IND AA+/Stable
	Total unutilised				INR120	

	Total				INR150	
Source: NSDL, HDFC						

Contact

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About India Ratings

India Ratings and Research (Ind-Ra) is India's SEBI registered credit rating agency committed to providing India's credit markets accurate, timely and prospective credit opinions. Built on a foundation of independent thinking, rigorous analytics, and an open and balanced approach towards credit research, Ind-Ra has grown rapidly during the past decade, gaining significant market presence in India's fixed income market.

Ind-Ra currently maintains coverage of corporate issuers, financial institutions (including banks and insurance companies), finance companies, urban local bodies, and structured finance and project finance companies.

Headquartered in Mumbai, Ind-Ra has seven branch offices located in Ahmedabad, Bengaluru, Chennai, Gurugram, Hyderabad, Kolkata and Pune. Ind-Ra is recognised by the Securities and Exchange Board of India and the Reserve Bank of India.

Ind-Ra is a 100% owned subsidiary of the Fitch Group.

Solicitation Disclosures

Additional information is available at www.indiaratings.co.in. The ratings above were solicited by the issuer, and therefore, India Ratings has been compensated for the provision of the ratings.

Ratings are not a recommendation or suggestion, directly or indirectly, to you or any other person, to buy, sell, make or hold any investment, loan or security or to undertake any investment strategy with respect to any investment, loan or security or any issuer.

APPLICABLE CRITERIA AND POLICIES

Evaluating Corporate Governance

Financial Institutions Rating Criteria

Rating Bank Subordinated and Hybrid Securities

The Rating Process

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