

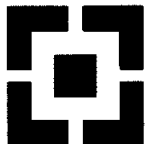
# ANNUAL REPORT HDFC BANK 2001-02



 **HDFC BANK**

Report Junction .com

 **HDFC BANK**



**HDFC BANK**



INDIA  
Best Domestic Commercial Bank  
**HDFC BANK**

Run by the dynamic Aditya Puri, HDFC Bank has long been the most favoured private sector bank in India. And while it is now facing more and more competition, Puri and his team continue to deliver outstanding results. What has been impressive has been the manner in which he has integrated Times Bank, and managed to bring the two cultures together to make sure the enlarged entity is a profitable and technology-focused one. It says a lot about the confidence many have in HDFC Bank, that when the bank was taken over, it was done as a stock swap, a rare thing in India, where family businesses are usually bought out. In this case, they were satisfied that to take the equity in the bank was the best way to ensure its growth. And the results speak for themselves. In the year ended March 2001, the bank's net income rose 66.4% and even more importantly, its return on assets rose 10.4%.

# EUROMONEY

EUROMONEY AWARDS  
FOR EXCELLENCE  
**2001**

This is to certify that  
**HDFC Bank**  
has won the award for

Best Bank in India

RA

THE ECONOMIC

THE ECONOMIC  
AWARDS  
FOR C

Yet another year of satisfying performance at HDFC Bank achieved through  
People, Processes & Products



Opening Ceremony at the New York Stock Exchange for trading of our American Depository Shares


## HIGHLIGHTS

- Profit after tax up by 41.4% to Rs. 297.04 crores.
- Earnings per share increases from Rs. 8.64 per share to Rs. 11.01 per share
- Dividend per share increases from Rs. 2 per share to Rs. 2.50 per share (proposed)
- Branch Network up from 131 to 171 outlets with geographic reach expanded from 53 cities to 77 cities.
- Issuance of American Depository Shares (ADS) amounting to US\$ 172.5 million at the New York Stock Exchange
- Balance Sheet size up from Rs. 15,617 crores to Rs. 23,787 crores.
- Emphasis on quality control :
  - i) First bank in India to get ISO 9001:2000 certification for Depository services at the Central Processing Unit and backend processing of retail liabilities and direct banking operations.
  - ii) ISO 9001:2000 certification for Custodial Services.



**People to People...**  
*Building Relationships*





It is a well recognized fact that the quality of human resources is a key factor in determining the success of an organisation. This is even more relevant in a service sector organisation like HDFC Bank. We believe that the ultimate identity and success of our bank and our customers lies in the exceptional quality of our people and their extraordinary efforts. We will continue to create an environment that values people and the work that they do.

In fact, the bank's strategic framework provides us with four core values: Customer Focus, Operational Excellence, Product Leadership and People. The People value states that we are committed to hiring, developing, motivating and retaining the best people in our industry.

The bank has a very young and dynamic workforce. Our success in attracting and retaining talent has been facilitated by our open and transparent work culture, the opportunities we provide to take on challenging assignments and the latitude and empowerment that our employees enjoy right from the beginning.



**Process to Process...**  
*Building Solutions*





Free Mobile Banking

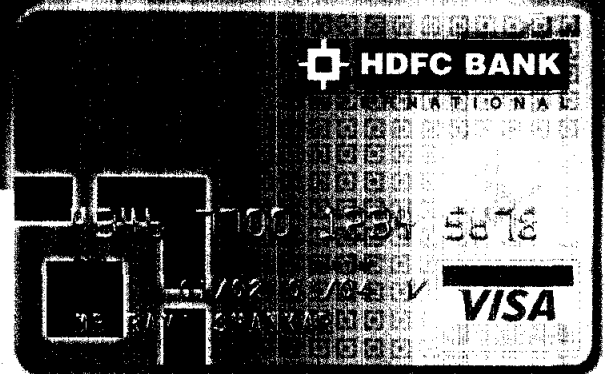
Free ATM Car

Demat Account

Car Loans

 **HDFC BANK**

**Product to Product...**  
*Building One Stop Shop*





Consumer Loans

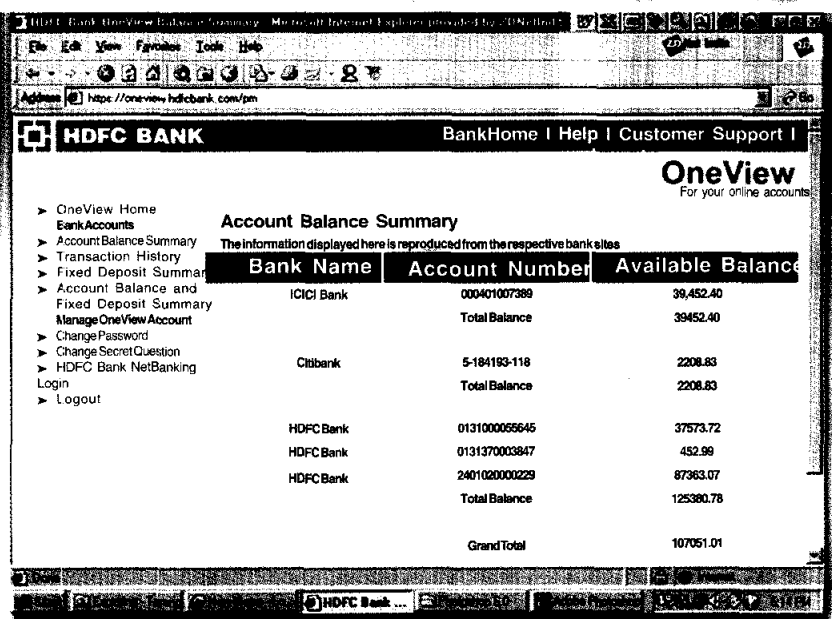
Current Account

Mutual Funds

We understand that our customers would rather spend time with their families or friends or manage their careers or businesses, than worry about their finances. That's why we offer a complete range of financial products and services to meet a wide range of savings, investment, transactional and loan needs.

Our technology has enabled us to offer innovative products and services with greater convenience and at an affordable price. We have products to match the needs of every customer - corporate or individual, borrower or investor. Our wide range of more than forty products serves the needs of our growing family of over two million customers.

We understand that our customers' time is precious. Which is why we provide them access to their accounts as and when they need it, through the Internet, Mobile, ATM, Phone and Debit Card. And if they prefer to walk into a branch, we are present in 77 cities in India with over 170 branches and around 500 ATMs.



Bank Name	Account Number	Available Balance
ICICI Bank	000401007389	39,452.40
	Total Balance	39452.40
Citibank	5-184193-118	2208.83
	Total Balance	2208.83
HDFC Bank	0131000055645	37573.72
HDFC Bank	0131370003847	452.99
HDFC Bank	2401020000229	87363.07
	Total Balance	125380.78
Grand Total		107051.01

# financial highlights

Rs. in lacs

	1997-98	1998-99	1999-2000	2000-2001	2001-2002
Interest Income	240,80	376,08	679,87	1,259,46	1,702,99
Interest Expense	137,55	229,18	374,28	753,75	1,073,74
<b>Net Interest Income</b>	<b>103,25</b>	<b>146,90</b>	<b>305,59</b>	<b>505,71</b>	<b>629,25</b>
Other Income	62,01	68,07	125,35	185,53	333,25
<b>Net Revenues</b>	<b>165,26</b>	<b>214,97</b>	<b>430,94</b>	<b>691,24</b>	<b>962,50</b>
Operating costs	62,71	88,79	171,39	309,59	417,95
<b>Operating Result</b>	<b>102,55</b>	<b>126,18</b>	<b>259,55</b>	<b>381,65</b>	<b>544,55</b>
Loan Loss Provisions	7,22	7,58	53,60	52,96	85,77
Depreciation on investments	96	94	5,81	13,38	19,16
Others	2	81	5,29	25	14,24
<b>Profit before tax</b>	<b>94,35</b>	<b>116,85</b>	<b>194,85</b>	<b>315,06</b>	<b>425,38</b>
Provision for taxation	31,20	34,45	74,81	104,94	128,34
<b>Profit after tax</b>	<b>63,15</b>	<b>82,40</b>	<b>120,04</b>	<b>210,12</b>	<b>297,04</b>
<b>Funds :</b>					
Deposits	2,191,74	2,915,11	8,427,72	11,658,11	17,653,81
Subordinated debt	100,00	135,00	150,00	200,00	200,00
Stockholders' Equity	285,13	338,93	751,52	913,09	1,942,28
Working Funds	2,829,98	4,349,96	11,731,03	15,617,33	23,787,38
Loans	841,98	1,400,56	3,462,34	4,636,66	6,813,72
Investments	1,121,33	1,903,80	5,748,28	7,145,14	12,004,02
<b>Key Ratios :</b>					
Earnings per share (Rs)	3.16	4.12	5.93	8.64	11.01
Return on Average Networth	23.87%	26.41%	29.00%	24.53%	18.30%
Tier 1 Capital Ratio	10.21%	8.34%	9.56%	8.69%	10.81%
Total Capital Ratio	13.92%	11.86%	12.19%	11.09%	13.93%
Dividend per share (Rs)	1.00	1.30	1.60	2.00	2.50**
Dividend payout ratio	34.84%	34.71%	29.96%	25.55%	23.68%
Book value per share as at March 31 (Rs)	14.3	16.9	30.9	37.5	69.0
Market price per share as at March 31 (Rs)*	70.80	69.15	257.20	228.35	236.60
Price to Earnings Ratio	22.41	16.78	43.37	26.43	21.50
Rs. 10 Lac = Rs. 1 Million      Rs. 1 Crore = Rs. 10 Million      **Proposed      *Sources : NSE					