

TEN YEARS OF EXCELLENCE

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HDFC BANK

We understand your world

ANNUAL REPORT 2004 - 05

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AWARDS IN THE YEAR 2004-05

Leading Indian business magazine Business Today, in a survey, rated us **Best Bank in India** for the second consecutive year.

HDFC Bank has been named **Best Domestic Bank in India Region** in The Asset Triple A Country Awards 2004 and 2003.

HDFC Bank was selected by BusinessWorld as **One of India's Most Respected Companies** as part of The Business World Most Respected Company Awards.

Forbes Global named us in its listing of **Best Under a Billion, 100 Best Smaller Size Enterprises** in Asia/Pacific and Europe, in its November 2004 issue.

Hong Kong-based Asiamoney magazine named the Bank: **Best Overall Local/Domestic Bank India** in the Corporate Cash Management Poll.

Overall Most Improved Company for Best Management Practices in India in the Best Managed Companies Poll 2004.

Best Local Cash Management Bank.

Best Overall Domestic Trade Finance Services Award.

HDFC Bank won the award for **Operational Excellence in Retail Financial Services - India** as part of the Asian Banker Excellence in Retail Financial Services Programme 2003.



TEN YEARS OF EXCELLENCE

On the 18th of February, 1995, the then finance minister, Dr. Manmohan Singh, inaugurated the first branch of a new bank called HDFC Bank. Promoted by India's premier housing finance institution, it was the first private sector bank to have received a license from the Reserve Bank of India, after the banking sector was thrown open to new players. Driven by the vision and leadership of a highly respected senior management team, and thanks to the dedicated efforts of thousands of employees over the last 10 years, your bank has today emerged as one of the leading banks in the country.

From the beginning, HDFC Bank began operations with the mission of becoming a World-class Indian Bank, and the endeavour of fulfilling all the financial requirements of our customers under one roof. Over the years, by delivering superior financial products and services, your bank has built a stable and long-lasting relationship with nearly seven million customers, without compromising our standards for maintaining high quality associations. Our culture for learning; our quick absorption of latest and best technologies; and our unwavering adherence to best practices in governance have been the core strengths that have brought us to our present position. Constantly learning through our growth, we have continued to use the dividends of our leadership position to fuel further expansion and presence. Today, ten years later, we are the market leader, or one of the top three, in most of the segments that we operate in.

Today, our bank is recognised by many to be the best in many respects. However, for us, our journey to be pre-eminent in every possible sphere continues, and our drive to become even better at serving our customers becomes stronger. For us, it starts with the same passion we started with ten years ago. Every day.



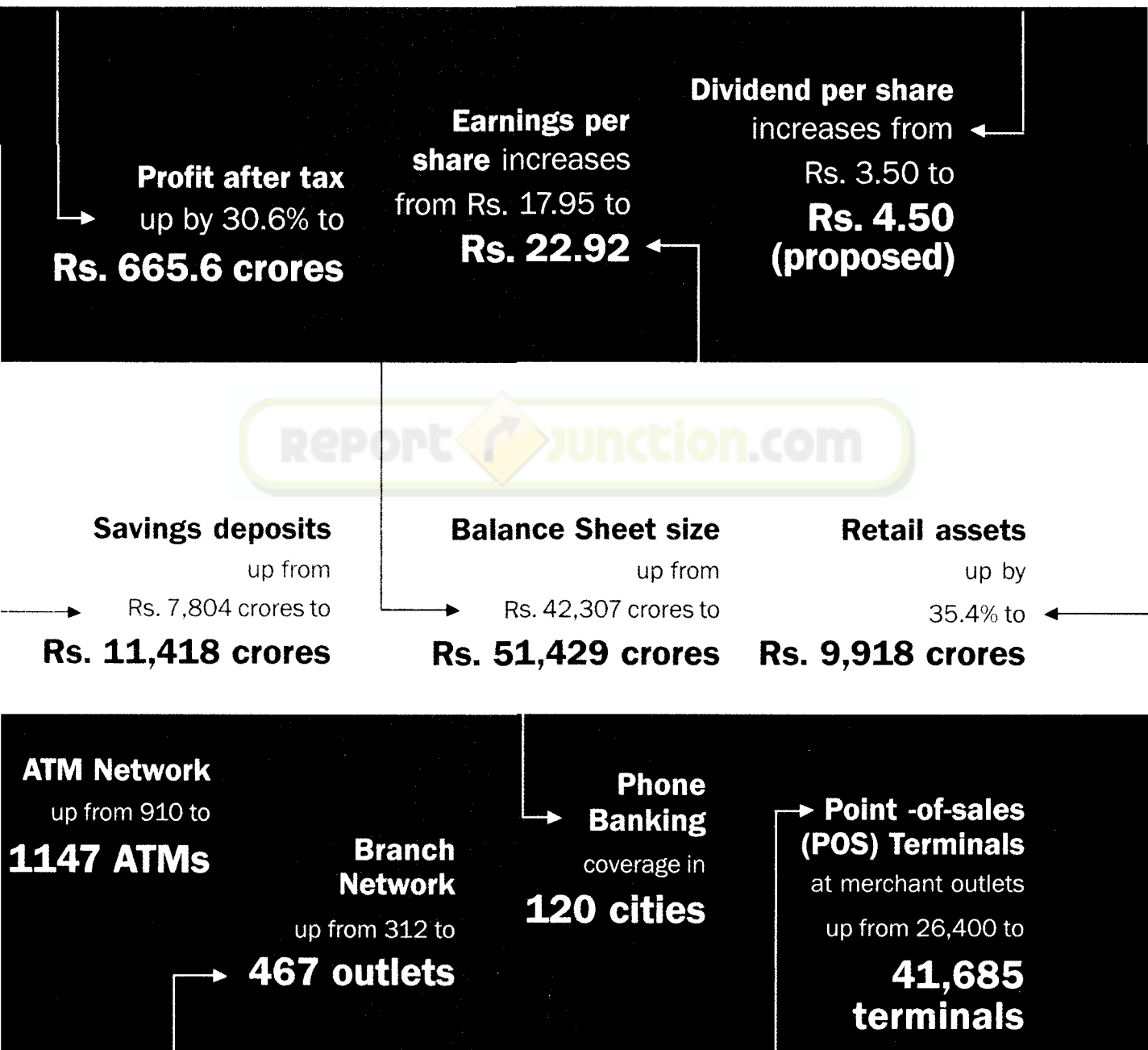


The Bank has provided sponsorship for a Water Project and a Higher Secondary School Programme



Fulfilling our Social Responsibility
... A few small steps

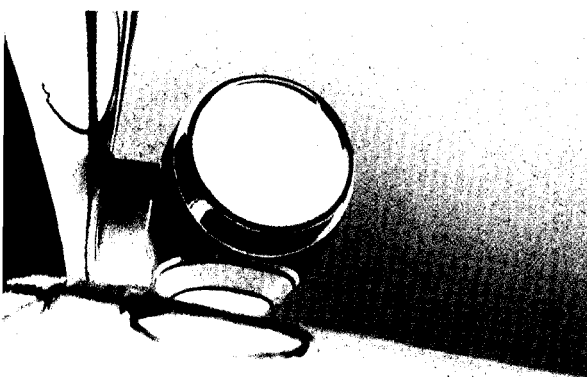
HIGHLIGHTS



TEN YEARS OF EXCELLENCE

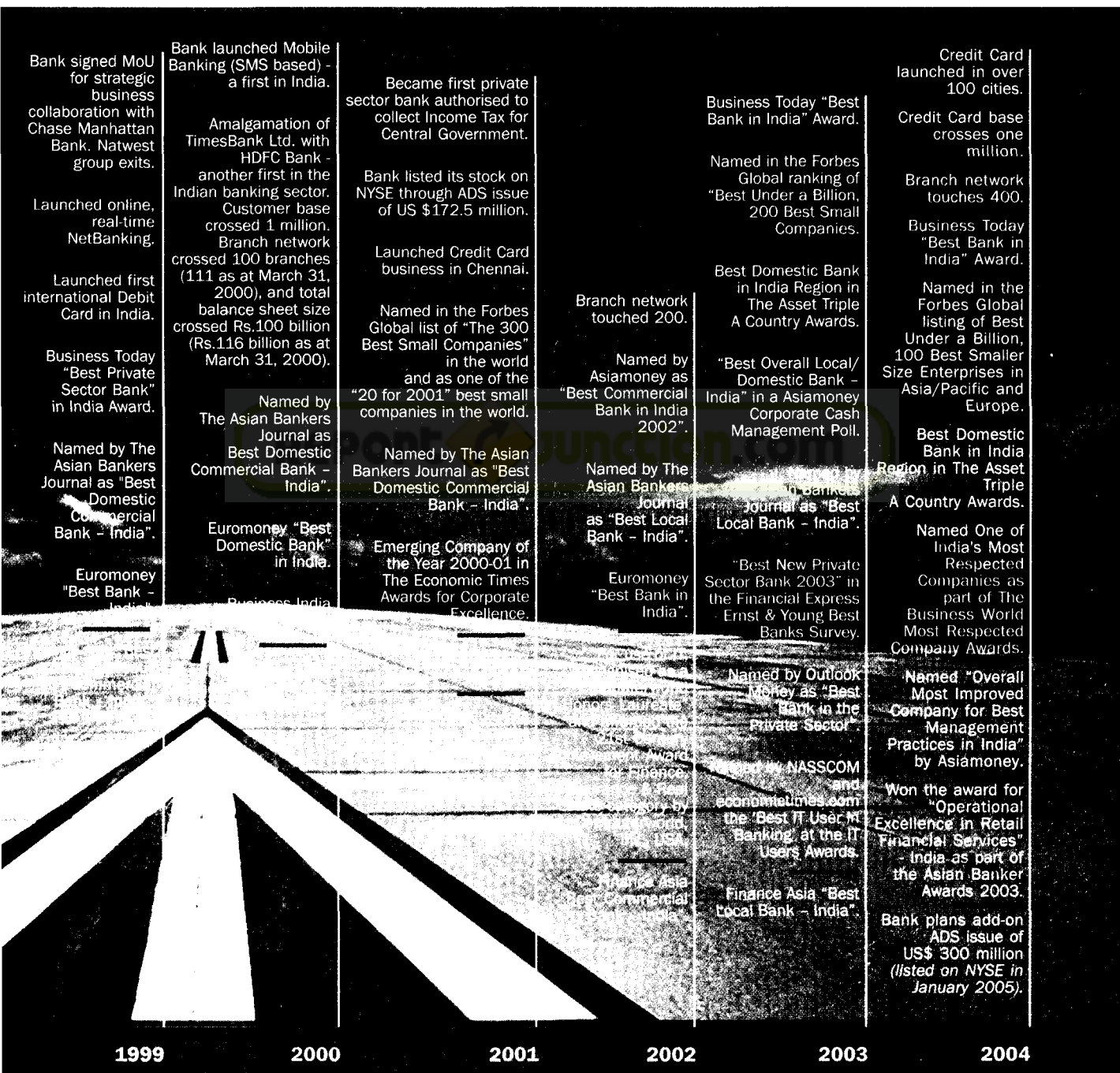
The milestones that we have crossed over the last ten years continue to be a great motivator to create extraordinary results. The future depends on what we do in the present.

Received banking licence and entered into strategic alliance with National Westminster Bank group.				
HDFC Bank formally inaugurated by the then Finance Minister Dr. Manmohan Singh.				
HDFC given "in principle" approval to start a commercial bank.				
Company incorporated.				
	Received banking licence and entered into strategic alliance with National Westminster Bank group.	Total balance sheet size crosses Rs.10 billion (Rs.1000 crore).		
	HDFC Bank formally inaugurated by the then Finance Minister Dr. Manmohan Singh.	Appointed clearing bank by the NSCCL heralding the genesis of what was to become a major "capital markets infrastructure" business.		
	HDFC Bank launches its IPO of Rs.500 million eliciting a record 55 times oversubscription.			
		Declared maiden dividend of 8% on equity shares for year-end March 31, 1997.		
		Launched retail investment advisory services.		
			Launched its first retail lending product - Loans against Shares.	
			RoE crossed 20% for financial year ended March 31, 1998 at 23.9%.	
				Branch network touched 50.
1994	1995	1996	1997	1998



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(Rs. lacs)

1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05
240,80	376,08	679,87	1,259,46	1,702,99	2,013,61	2,548,93	3,093,49
137,55	229,18	374,28	753,75	1,073,74	1,191,96	1,211,05	1,315,56
103,25	146,90	305,59	505,71	629,25	821,65	1,337,88	1,777,93
61,05	67,13	119,54	176,57	335,90	465,55	480,03	651,34
164,30	214,03	425,13	682,28	965,15	1,287,20	1,817,91	2,429,27
62,71	88,79	171,39	309,59	417,95	577,05	810,00	1,085,40
101,59	125,24	253,74	372,69	547,20	710,15	1,007,91	1,343,87
7,24	8,39	58,89	57,63	121,82	139,30	288,95	364,93
94,35	116,85	194,85	315,06	425,38	570,85	718,96	978,94
31,20	34,45	74,81	104,94	128,34	183,25	209,46	313,38
63,15	82,40	120,04	210,12	297,04	387,60	509,50	665,56
2,191,74	2,915,11	8,427,72	11,658,11	17,653,81	22,376,07	30,408,86	36,354,25
100,00	135,00	150,00	200,00	200,00	200,00	600,00	500,00
285.13	338,93	751,52	913,09	1,942,28	2,244,83	2,691,88	4,519,85
2,829,98	4,349,96	11,731,03	15,617,33	23,787,38	30,424,08	42,306,99	51,429,00
841.98	1,400.56	3,462.34	4,636.66	6,813.72	11,754.86	17,744.51	25,566,30
1,121,33	1,903,80	5,748,28	7,145,14	12,004,02	13,388,08	19,256,79	19,349,81
3.16	4.12	5.93	8.64	11.01	13.75	17.95	22.92
23.87%	26.41%	29.00%	24.53%	18.30%	18.10%	20.14%	20.44%
10.21%	8.34%	9.56%	8.69%	10.81%	9.49%	8.03%	9.60%
13.92%	11.86%	12.19%	11.09%	13.93%	11.12%	11.66%	12.16%
1.00	1.30	1.60	2.00	2.50	3.00	3.50	4.50**
34.84%	34.71%	29.96%	25.55%	23.68%	24.72%	22.15%	24.00%
14.30	16.90	30.90	37.50	69.00	79.60	94.52	145.86
70.80	69.15	257.20	228.35	236.60	234.55	378.75	573.64
22.42	16.78	43.37	26.43	21.50	17.06	21.10	25.03
**Proposed		*Source : NSE					



BOARD OF DIRECTORS

Mr. Jagdish Capoor, *Chairman*

Mr. Aditya Puri, *Managing Director*

Mr. Keki Mistry

Dr. (Mrs.) Amla Samanta (up to April 25, 2004)

Mr. Anil Ahuja

Dr. Venkat Rao Gadwal

Mr. Vineet Jain

Mrs. Renu Karnad

Mr. Arvind Pande

Mr. Ranjan Kapur

Mr. Bobby Parikh

Mr. Ashim Samanta (w.e.f. November 19, 2004)

VICE PRESIDENT (LEGAL) & COMPANY SECRETARY

Sanjay Dongre

AUDITORS

M/s. P. C. Hansotia & Co.

Chartered Accountants

SENIOR MANAGEMENT TEAM

A Parthasarathy

A Rajan

Abhay Aima

Bharat Shah

C.N. Ram

G Subramanian

Harish Engineer

Neeraj Swaroop

Paresh Sukthankar

Samir Bhatia

Sudhir M Joshi

Vinod G Yennemadi

REGISTRARS & TRANSFER AGENTS

MCS LIMITED

Sri Venkatesh Bhavan,
Plot No. 27, Road No. 11,
MIDC Area, Andheri (East),
Mumbai 400 093.

Tel: 2821 5235/6/7

Fax: 2835 0456

Email: mcssvb@eth.net

REGISTERED OFFICE

HDFC Bank House,
Senapati Bapat Marg,
Lower Parel,
Mumbai 400 013.

Tel: 5652 1000

Fax: 2496 0739

Website: www.hdfcbank.com



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11TH ANNUAL GENERAL MEETING

Date: June 17, 2005

Day: Friday

Time: 3:30 p.m.

Place: Birla Matushri Sabhagar,
19, New Marine Lines,
Mumbai 400 020Book Closure: May 28, 2005 to June 17, 2005
Dates (both days inclusive)**CONTENTS****PAGE**

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