

Report  junction.com  
From meeting challenges as we grow...



We understand your world




---

### Highlights of 2008-2009

---

- Net Profit of Rs. 2,245 crores, an increase of 41% over the previous year
  - Balance Sheet size of Rs. 1,83,271 crores as on March 31, 2009
  - Total Deposits were Rs. 1,42,812 crores, an increase of 41.7% over the previous year
  - Total Advances were Rs. 98,883 crores, an increase of 55.9% over the previous year
  - The Bank's Capital Adequacy Ratio (CAR as per Basel 2 framework) as on March 31, 2009 stood at 15.7% as against the regulatory minimum of 9.0%. Tier 1 ratio at 10.6%
  - Network of 1,412 branches and 3,295 ATMs in 528 cities as on March 31, 2009
- 

Report  junction.com  
...to growing in a challenging environment.

Asiamoney  
**Best Local Cash Management Bank Award**  
voted by Corporates

Asian Banker Excellence  
in Retail Financial Services  
**Best Retail Bank 2008**

Business India  
**Best Bank 2008**

Business Today  
**Best Bank Award**

Business Today Monitor Group Survey  
**One of India's Most Innovative Companies**

CNN-IBN  
**Indian of the Year (Business) - Mr. Aditya Puri, MD**

Finance Asia Country Awards  
for Achievement 2008  
**Best Bank and Best Cash Management Bank**

Financial Express - Ernst & Young Award  
**Best Bank Award in the Private Sector Category**

Forbes Asia  
**Fab 50 Companies in Asia Pacific**

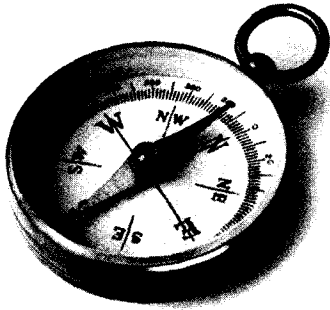
Global HR Excellence Awards -  
Asia Pacific HRM Congress  
**Employer Brand of the Year 2007 - 2008 Award**

Microsoft & Indian Express Group  
**Security Strategist Award 2008**

NASSCOM IT User Award 2008  
**Best IT Adoption in the Banking Sector**

WTC Award of Honour  
**For Outstanding Contribution to International Trade Services**





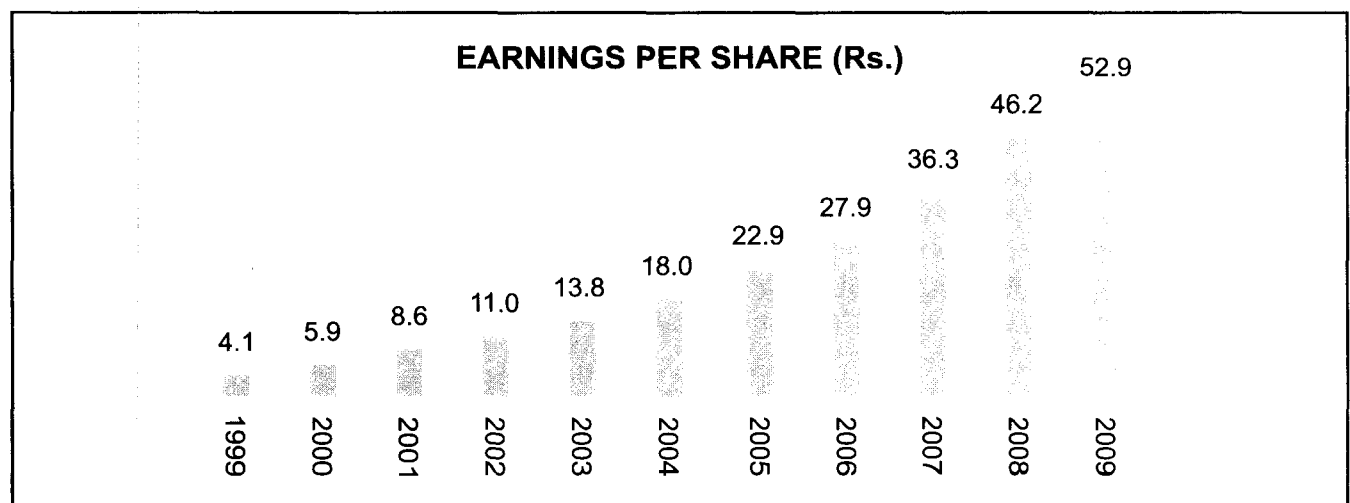
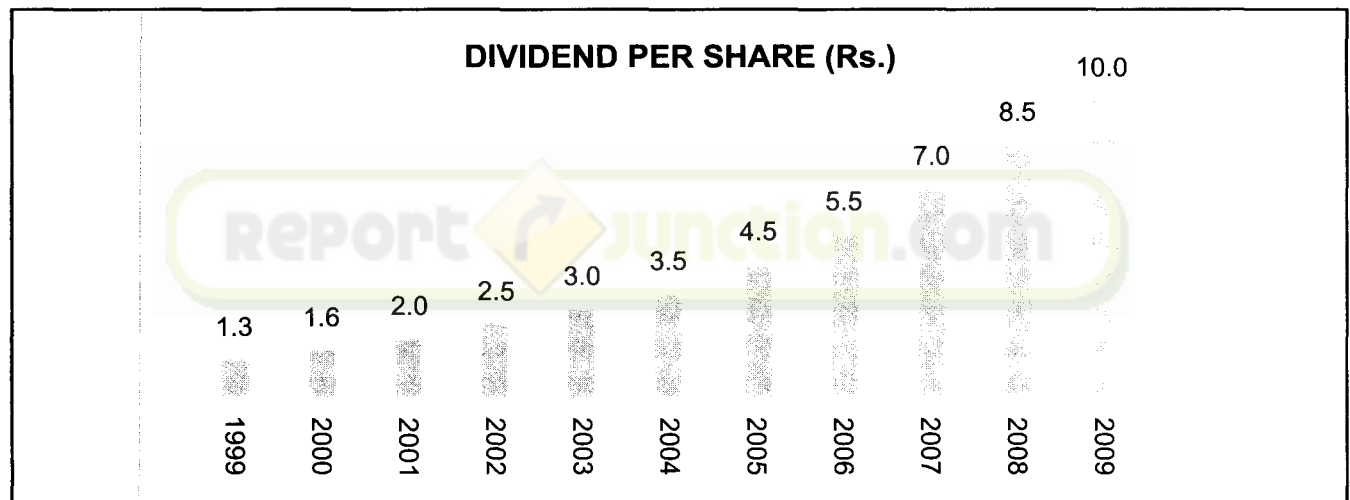
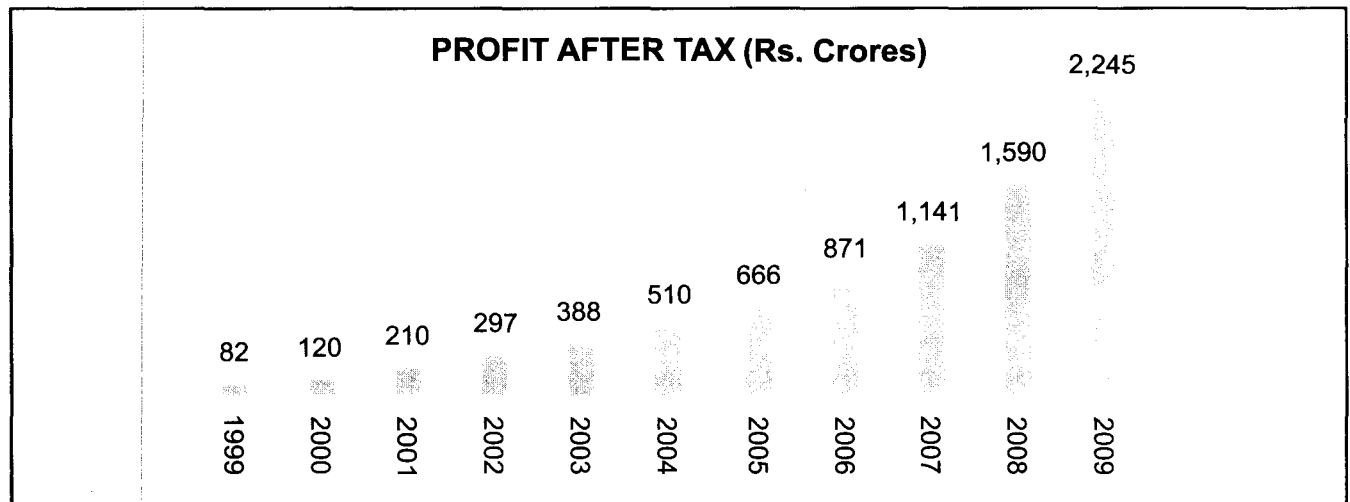
Scaling a formidable mountain peak and conquering it is a tough task. It's a test of will, a test of skill, a test of prudence and a test of strength. However, when a seasoned mountaineer stands before this challenge, he looks it in the eye and faces it with confidence.

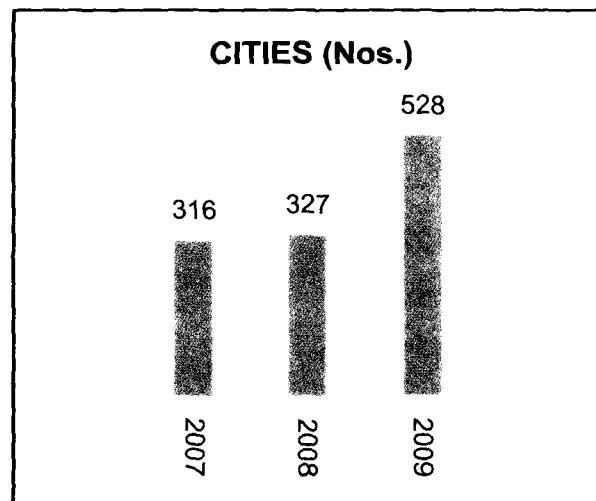
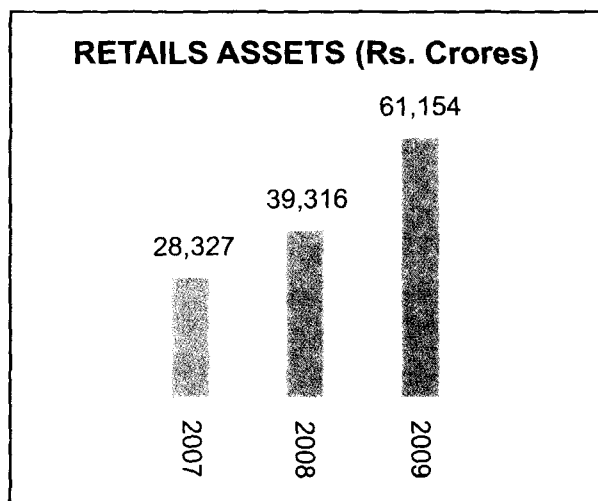
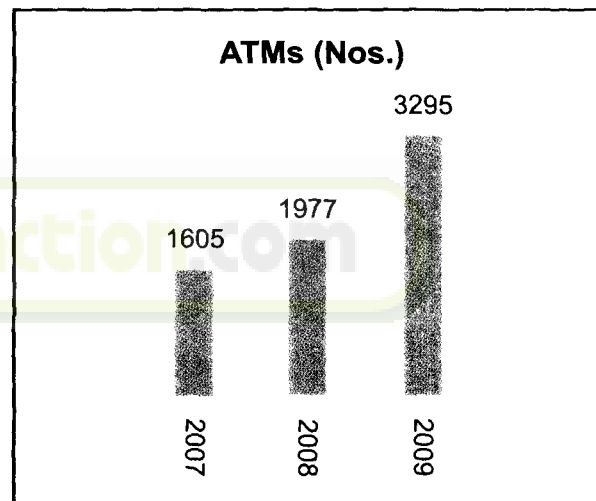
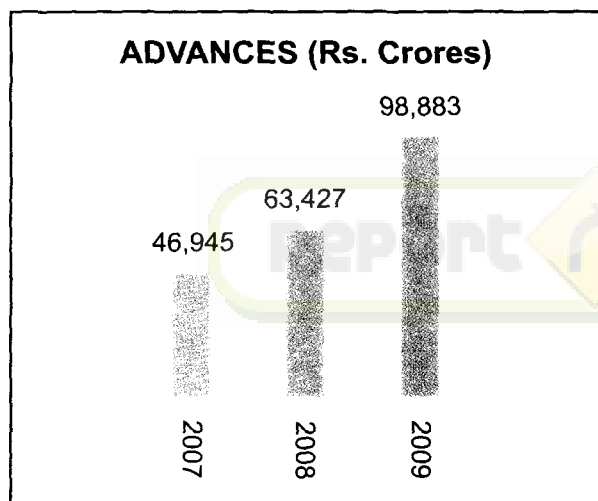
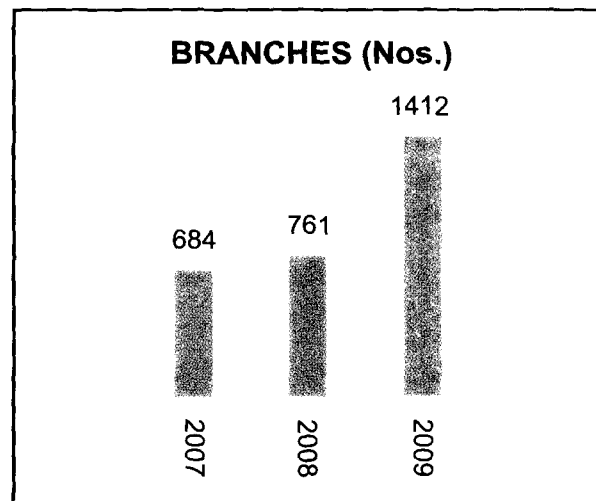
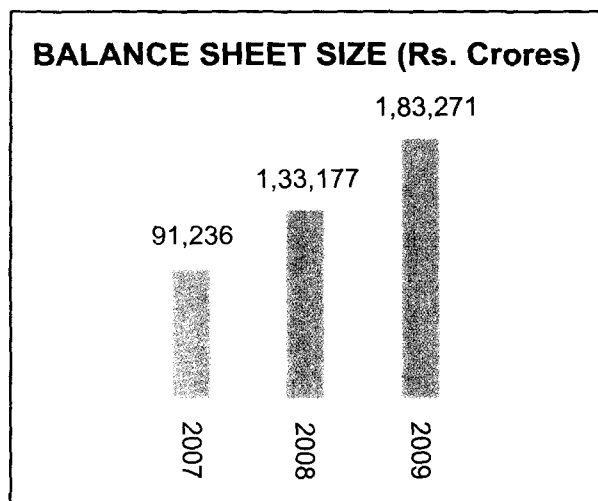
Just as a mountaineer contends with the vagaries of the weather in hostile conditions, the banking industry faced unprecedented headwinds last year and this environment, though improving, remains demanding. At HDFC Bank, we draw inspiration from a mountaineer's grit and spirit while tackling challenges in the evolving financial landscape.

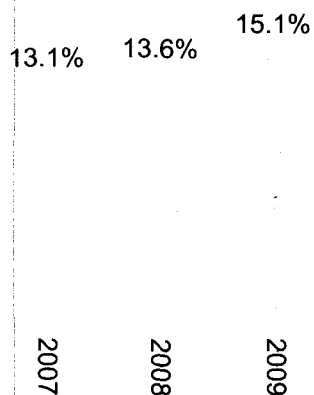
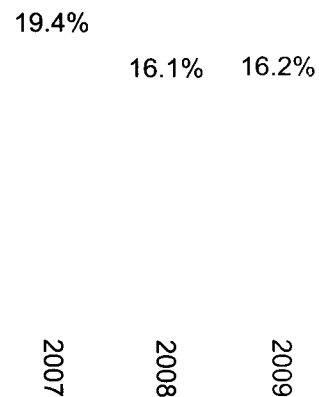
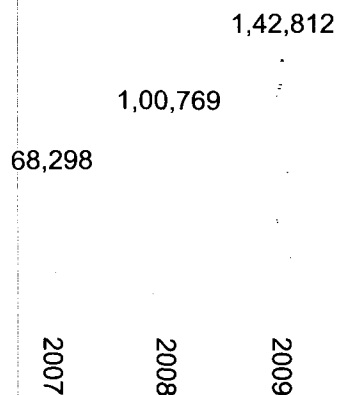
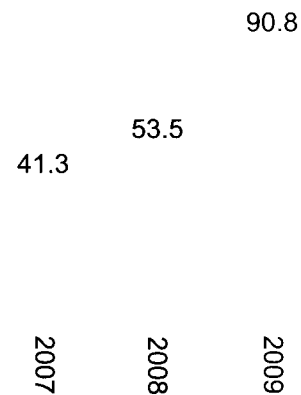
As the Indian banking industry undergoes a transformation due to rapidly changing economic conditions, both global and domestic, we at HDFC Bank continue to build and consolidate our well-diversified portfolio. With a strong foundation of customer and product franchises developed over the last 14 years, we have continued to grow from strength to strength. Our growth model combines new customer acquisition through multiple channels with a strong focus on penetrating our existing customer base, and achieving a healthy risk-reward balance with emphasis on a strong risk management culture.

Our organic growth and the merger with Centurion Bank of Punjab has augmented our branch network, enabling us to expand our footprint while bringing a wide range of products and services to a growing number of semi-urban and rural markets.

It is our enterprising yet prudent approach that has been at the core of our growth strategy. We have taken measured steps and drawn on our experience while moving ahead into leadership positions across various businesses. We hope to continue to fully leverage opportunities in our retail, wholesale and treasury business segments. We recognise that the challenges could be enormous, but at HDFC Bank, we believe in looking up to each summit with the will to get there.

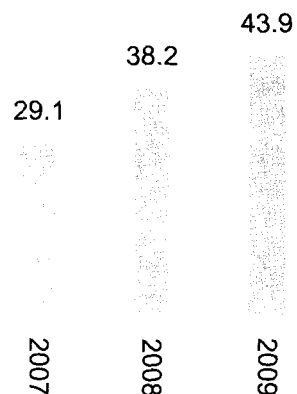




**CAPITAL ADEQUACY (%)****RETURN ON CAPITAL (%)****NET INTEREST MARGIN (%)****SAVINGS DEPOSITS (Rs. Crores)****DEPOSITS (Rs. Crores)****DEBIT CARDS (Nos. in Lacs)**



### CREDIT CARDS (Nos. in Lacs)



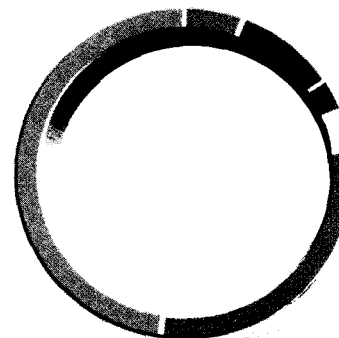
### RUPEE EARNED

Interest from Advances	61.85%
Profit on Investments	1.95%
Commission, Exchange & Brokerage	12.52%
Other Interest Income	0.96%
FX & Derivative Income	2.24%
Interest from Investments	20.42%
Others	0.05%



### RUPEE SPENT

Interest Expense	47.55%
Tax	5.63%
Provisions	10.03%
Dividend & Tax on Dividend	2.66%
Transfer to Reserve	4.62%
Operating Expense	29.52%



## Financial Highlights

	1999-2000	2000-2001	2001-2002
Interest Income	679,87	1,255,04	1,681,18
Interest Expense	374,28	753,75	1,073,74
<b>Net Interest Income</b>	<b>305,59</b>	<b>501,29</b>	<b>607,44</b>
Other Income	119,54	176,57	335,90
<b>Net Revenues</b>	<b>425,13</b>	<b>677,86</b>	<b>943,34</b>
Operating costs	171,39	309,59	417,95
<b>Operating Result</b>	<b>253,74</b>	<b>368,27</b>	<b>525,39</b>
Provisions and Contingencies	58,89	53,21	100,01
Loan Loss Provisions	53,60	52,96	85,77
Others	5,29	25	14,24
<b>Profit before tax</b>	<b>194,85</b>	<b>315,06</b>	<b>425,38</b>
Provision for taxation	74,81	104,94	128,34
<b>Profit after tax</b>	<b>120,04</b>	<b>210,12</b>	<b>297,04</b>
<b>Funds :</b>			
Deposits	8,427,72	11,658,11	17,653,81
Subordinated debt	150,00	200,00	200,00
Stockholders' Equity	751,52	913,09	1,942,28
Working Funds	11,731,03	15,617,33	23,787,38
Loans	3,462,34	4,636,66	6,813,72
Investments	5,748,28	7,145,14	12,004,02
<b>Key Ratios :</b>			
Earnings per share (Rs)	5.93	8.64	11.01
Return on Average Networth	29.00%	24.53%	18.30%
Tier 1 Capital Ratio	9.56%	8.69%	10.81%
Total Capital Ratio	12.19%	11.09%	13.93%
Dividend per share (Rs)	1.60	2.00	2.50
Dividend payout ratio	29.96%	25.55%	23.68%
Book value per share as at March 31 (Rs)	30.90	37.50	69.00
Market price per share as at March 31 (Rs)*	257.20	228.35	236.60
Price to Earnings Ratio	43.37	26.43	21.50

Rs. 10 Lac = Rs. 1 Million

Rs. 1 Crore = Rs. 10 Million

\*\*Proposed

\*Source : NSE