



ONWARD,
UPWARD &
HOMEWARD
BOUND

THIRTY SIXTH ANNUAL REPORT 2012-13



“Every day is a journey, and
the journey itself is home.”

- Matsuo Basho

When the sun beckoned us, we started our journey
The first to plunge into an uncharted territory
A solitary flyer surfing the wind
Driven by a dream, a belief and the passion to win

So we journeyed on, embracing the skies
Spreading our wings, growing our ties
Learning, caring, evolving with each passing day
Touching more lives along our way

Onward and upward, taking the world in our stride
We continue to travel the distance far and wide
Yet coming back to where we have always belonged
Strongly rooted in our values, our heart, our home all along

Onward, Upward and Homeward Bound
The journey continues for HDFC...

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ANNUAL GENERAL MEETING (AGM)

Day/Date : Friday, July 19, 2013

Time : 3.00 p.m.

Venue : Birla Matushri Sabhagar,
19, New Marine Lines,
Mumbai 400 020.

Financial Highlights

	(₹ in Crores)											
	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13		
Gross Income	3,077.85	3,410.44	4,278.39	5,896.26	8,196.05	11,017.66	11,360.83	12,878.07	17,354.28	21,147.62		
Profit After Tax	851.78	1,036.59	1,257.30	1,570.38	2,436.25	2,282.54	2,826.49	3,534.96	4,122.62	4,848.34		
Shareholders' Funds	3,393.79	3,883.10	4,468.33	5,551.40	11,947.34	13,137.39	15,197.66	17,316.51	19,017.58	25,000.00		
Share Capital - Equity	246.61	249.12	249.56	253.01	284.03	284.45	287.11	293.37	295.39	309.27		
Reserves and Surplus	3,147.18	3,633.98	4,218.77	5,298.39	11,663.31	12,852.94	14,910.55	17,023.14	18,722.19	24,690.73		
Term Borrowings	19,346.39	28,807.31	37,979.93	46,808.61	57,854.97	64,481.41	73,484.17	90,785.38	1,02,834.70	1,06,895.00		
Deposits	9,337.65	7,840.09	8,741.42	10,384.42	11,296.25	19,374.67	23,081.14	24,326.92	36,292.80	51,933.00		
Loans Outstanding	27,974.27	36,011.50	44,990.12	56,512.36	73,327.78	85,198.11	97,966.99	1,17,126.62	1,40,874.58	1,70,046.17		
Dividend (%)	135	170	200	220	250	300	360	450	550	625		
Book Value per Share (₹) [^]	28	31	36	44	84	92	106	118	129	162		
Earnings per Share (₹) [^]	7	8	10	13	13 [†]	16	20	24	28	32		

[^] The face value of equity shares of the Corporation was sub-divided to ₹ 2 per equity share from ₹ 10 per equity share in FY 2011. Previous year figures have been adjusted to reflect the revised value.

[†] Excluding exceptional income.



ONWARD

OUR BALANCED VISION

Just like the Hummingbird strikes a great balance between the energy to be expended to gather nectar and the energy to be assimilated from the nectar, our vision keeps us on course for the onward journey, yet inspires us to constantly find newer directions. We always instinctively know where the greatest potential for our growth lies and what path we must take to make the most of it.



OUR UNPARALLELED EXPERIENCE

The Canada geese are unique in their leadership dynamism. Leadership for the flock is not just a hierarchical position, but a state of being. We at HDFC, thanks to our rich experience, have always believed in such dynamic leadership which keeps us upward bound by being participative and enabling.



OUR EAGLE-EYED FOCUS ON CUSTOMERS

The bald eagle always keeps its eyes focused on its goals. Likewise, we have never taken our eyes off our customers' wants, needs and dreams. And that has given us the legacy of always knowing what's on their minds, even before they do.



Board of Directors

Mr. Deepak S. Parekh
Chairman

Mr. Keshub Mahindra
Vice Chairman

Mr. Shirish B. Patel

Mr. B. S. Mehta

Mr. D. M. Sukthankar

Mr. D. N. Ghosh

Dr. S. A. Dave

Dr. Ram S. Tarneja

Mr. Nasser Munjee

Dr. Bimal Jalan

Dr. J. J. Irani

Mr. V. Srinivasa Rangan
Executive Director

Ms. Renu Sud Karnad
Managing Director

Mr. Keki M. Mistry
Vice Chairman & Chief Executive Officer

Brief Profile of the Directors of the Corporation

Mr. Deepak S. Parekh is the Chairman of the Corporation. He is a Fellow of The Institute of Chartered Accountants in England & Wales. Mr. Parekh joined the Corporation in a senior management position in 1978. He was inducted as a Whole-time Director of the Corporation in 1985, appointed as the Managing Director of the Corporation (designated as 'Chairman') in 1993 and continued to be appointed as such from time to time. He retired as the Managing Director (designated as 'Chairman'), with effect from the close of business hours on December 31, 2009. Mr. Parekh was appointed as a director of the Corporation liable to retire by rotation by the shareholders of the Corporation at the 33rd Annual General Meeting held on Wednesday, July 14, 2010. He is a director on the boards of several prominent companies in India.

Mr. Keshub Mahindra is the Vice Chairman of the Corporation. He is a graduate of the Wharton School of the University of Pennsylvania, U.S.A. He is a renowned industrialist and is the Chairman-Emeritus of the Mahindra & Mahindra Group of Companies. He is a director on the boards of several prominent companies in India. He has been a director of the Corporation since its inception. He is also the Chairman of the Nomination & Compensation Committee of Directors.

Mr. Shirish B. Patel is Chairman-Emeritus of a firm of consulting civil engineers with expertise in elevated rail track, railway stations, prefabrication, mass housing, tall buildings, factories, bridges and marine works. He was one of the three original authors of the idea of Navi Mumbai. He currently devotes his time to urban issues, on which he writes, mainly for Economic and Political Weekly. He has been a director of the Corporation since its inception and is also a member of the Nomination & Compensation Committee of Directors.

Mr. B. S. Mehta is a graduate in commerce and a Fellow of The Institute of Chartered Accountants of India. Mr. Mehta is a Chartered Accountant in practice dealing with taxation, accountancy and valuation of mergers and acquisitions. He is a director on the boards of several prominent

companies in India. He has been a director of the Corporation since 1988. He is also a member of the Nomination & Compensation Committee of Directors and Audit Committee of Directors.

Mr. D. M. Sukthankar was an officer of the Indian Administrative Service and was Secretary, Ministry of Urban Development, Government of India and later Chief Secretary to the Government of Maharashtra. Mr. Sukthankar is recognised as an expert on issues related to urban development and management and has been associated with the housing sector for a number of years. He has been a director of the Corporation since 1989.

Mr. D. N. Ghosh holds a Master's degree in economics. He was the former Chairman of the State Bank of India. Mr. Ghosh is currently the Chairman of ICRA Management Consulting Services Limited and Sundaram Asset Management Company Limited. He has been a director of the Corporation since 1989. He is also a member of the Audit Committee of Directors.

Dr. S. A. Dave is a Doctorate in economics and holds a Master's degree in economics from the University of Rochester. Dr. Dave was the former Chairman of the Securities and Exchange Board of India and the Unit Trust of India. He is a director on the boards of several prominent companies in India. He has been a director of the Corporation since 1990. He is also the Chairman of the Audit Committee of Directors and a member of the Investor Relations & Grievance Committee of Directors. Dr. Dave is the nominee of the Corporation on the board of HDFC Standard Life Insurance Company Limited.

Dr. Ram S. Tarneja holds a Doctorate in human resources from Cornell University. He also has a MA both from the University of Delhi and University of Virginia and a BA Honours from University of Delhi. He was the former Managing Director of Bennett, Coleman & Company Limited. He is a director on the boards of several prominent companies in India. He has been a director of the Corporation since 1994. He is also the Chairman of the Investor Relations & Grievance Committee of Directors.

Brief Profile of the Directors of the Corporation

Mr. Nasser Munjee holds a Master's degree in economics from the London School of Economics, U.K. He is a director on the boards of several prominent companies in India. He was earlier the Executive Director of the Corporation and had been working with the Corporation from 1978 to 1998. He is deeply interested in development and infrastructure issues.

Dr. Bimal Jalan is a former Governor of the Reserve Bank. He has previously held several positions in the Government including those of Finance Secretary and Chairman of the Economic Advisory Council to Prime Minister. He was also a nominated Member of Parliament from 2003 to 2009. He has been associated with a number of public institutions and is at present Chairman of Centre for Development Studies, Thiruvananthapuram. He has been a director of the Corporation since 2008.

Dr. J. J. Irani holds a Doctorate from University of Sheffield, U.K. He also holds a Master's degree in science from Nagpur University and M. Met from University of Sheffield, U.K. The President of India conferred on him the award of Padma Bhushan in 2007 for his services to trade and industry in India. Queen Elizabeth II conferred on him honorary Knighthood (KBE) for his contribution to Indo-British Trade and Co-operation. He is a director on the boards of several prominent companies in India. Dr. Irani was appointed as a director of the Corporation liable to retire by rotation by the shareholders of the Corporation at the 35th Annual General Meeting held on July 11, 2012.

Mr. V. Srinivasa Rangan is the Executive Director of the Corporation. He holds a Bachelor's degree in commerce and is an Associate of The Institute of Chartered Accountants of India and that of The Institute of Cost Accountants of India. Mr. Rangan joined the Corporation in 1986 and has served in Delhi Region and was the Senior General Manager – Corporate Planning & Finance function at head office since 2000. He has been appointed as the Executive Director of the Corporation for a period of 5 years, with effect from January 1, 2010. He is

responsible for the Treasury, Resources and Accounts functions of the Corporation. He is also a member of the Investor Relations & Grievance Committee of Directors.

Ms. Renu Sud Karnad is the Managing Director of the Corporation. She holds a Master's degree in economics from the University of Delhi and is a graduate in law from the University of Mumbai. She is a Parvin Fellow-Woodrow Wilson School of International Affairs, Princeton University, U.S.A. Ms. Karnad joined the Corporation in 1978 and was appointed as the Executive Director of the Corporation in 2000 and was re-designated as the Joint Managing Director of the Corporation in October 2007. She has been appointed as the Managing Director of the Corporation for a period of 5 years, with effect from January 1, 2010.

Mr. Keki M. Mistry is the Vice Chairman & Chief Executive Officer of the Corporation. He is a Fellow of The Institute of Chartered Accountants of India. Mr. Mistry joined the Corporation in 1981. He was appointed as the Executive Director of the Corporation in 1993, as the Deputy Managing Director in 1999 and as the Managing Director in 2000. He was re-designated as the Vice Chairman & Managing Director of the Corporation in October 2007. He was re-designated as the Vice Chairman & Chief Executive Officer, with effect from January 1, 2010. He has been re-appointed as the Managing Director (designated as the 'Vice Chairman & Chief Executive Officer') of the Corporation for a period of 5 years, with effect from November 14, 2010.

