

PROJECT REPORT

A study on “overview of banking sector in special reference to
HDFC Bank Ltd”

Submitted to

G.S. COLLEGE OF COMMERCE & ECONOMICS

NAGPUR

In partial fulfilment for the award of the degree of

Bachelor of Business Administration

Submitted by-

Hrishita Sujit Saboo

Under the Guidance of

Dr. Afsar Sheikh

**G.S. COLLEGE OF COMMERCE AND
ECONOMICS, NAGPUR**



Academic year 2021-22

G.S. COLLEGE OF COMMERCE & ECONOMICS,
NAGPUR



Academic year 2021-22

CERTIFICATE

This is certified that “Hrishita Sujit Saboo” has submitted the project report titled “Banking at “Overview of banking sector in special reference to HDFC Bank”, towards partial fulfilment of **BACHELOR OF BUSINESS ADMINISTRATION** degree examination. This has not been submitted for any other examination and does not form part of any other course undergone by the candidate.

It is further certified that she has ingeniously completed her project as prescribed by Rashtrasant Tukadoji Maharaj Nagpur University, Nagpur.

Dr. Afsar Sheikh

Project Guide

Dr. Afsar Sheikh

Coordinator

Place:

Date:

G.S. COLLEGE OF COMMERCE & ECONOMICS,
NAGPUR



Academic year 2021-22

DECLARATION

I here-by declare that the project with title “Overview of banking sector with special reference to HDFC Bank” has been completed by me in partial fulfilment of **BACHELOR OF BUSINESS ADMINISTRATION** degree examination as prescribed by Rashtrasant Tukadoji Maharaj Nagpur University, Nagpur and this has not been submitted for any other examination and does not form the part of any other course undertaken by me.

Hrishita Saboo

Place:

Date:

G.S. COLLEGE OF COMMERCE & ECONOMICS,
NAGPUR



Academic year 2021-22

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With immense pride and sense of gratitude, I take this golden opportunity to express my sincere regards to Dr. N.Y. Khandait, Principal, **G.S. COLLEGE OF COMMERCE & ECONOMICS, NAGPUR.**

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I will fail in my duty if I do not thank the non-teaching staff of the college for their co-operation.

I would like to thank all those who helped me in making this project complete and successful.

Hrisha Saboo

Place:

Date:

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CHAPTER – 1
INTRODUCTION

The role of financial institution is ever expanding and is becoming inseparable part of the growth of the country. There are many financial products coming every day to the Indian market. Some are old and some are new from Indian context. However, there are some products have presence in the country since long, like Saving A/c, Current A/c, Fixed Deposit, various types of loans (personal loan, vehicle loan, home loan) etc. But in the era of Globalizations and with free entry of lot of private players this product needs some modification. So, in the current situation lots of different and attractive products regarding loan, Saving A/c, Current A/c, and Fixed Deposits are available with this Financial Institutions. Now to avail such kind of Products detailed knowledge Nagpur University, Nagpur has arranged six-week summer project in any business organization for sharpen our skills & to bridge to gap of the theory & practice. I completed my project at HDFC Bank. This is a specialized training project report prepared at HDFC Bank, which consist of detailed analysis on the topic of the overview of banking sector with reference to HDFC bank. In first part of this project, I highlighted brief introduction of Industry and information HDFC bank. This includes Brief introduction about the Bank. Founder and director of the bank, structure of the bank etc. So, this section includes brief history about HDFC Bank. In second part of the project, I get detailed knowledge about the different products and services of the HDFC Bank. In this section I highlight different loans of HDFC Bank Ltd. Plus I highlight different products of the HDFC Bank. In addition to this I presented different aspects of personal loan. In last and most important part is a Research Analysis made by me on the topic.

CHAPTER – 2

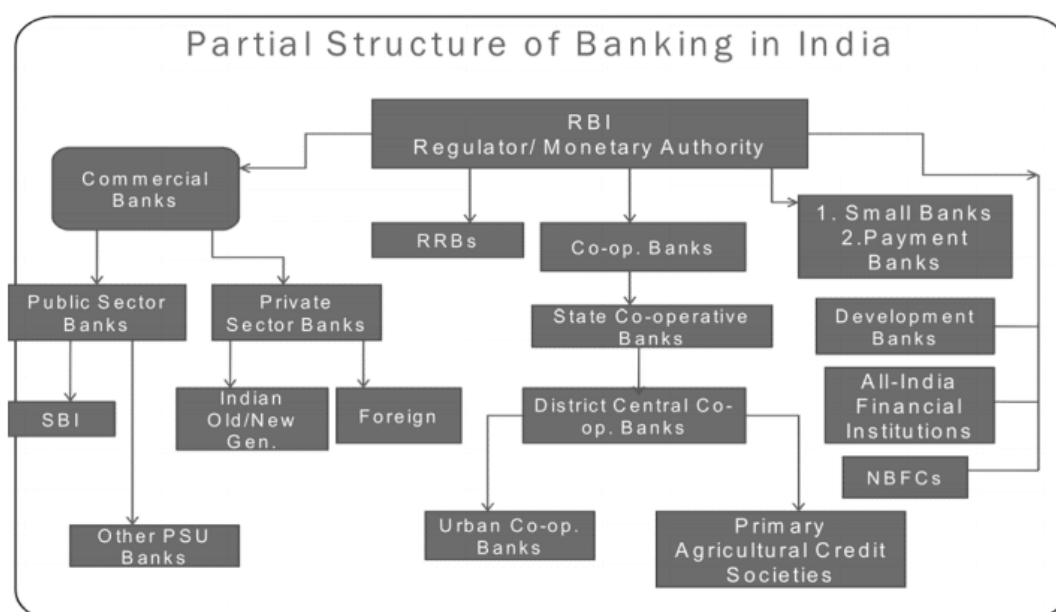
INDUSTRY PROFILE

1.1 WHAT IS BANKING?

Bank is a business that provides financial services usually for profit. Traditional banking Services include receiving deposits of money, lending money and processing transactions. A commercial bank accepts deposits from customers and in turn makes loans based on those deposits. Some banks (called Banks of issue) issue banknotes as legal tender. Many banks offer ancillary financial services to make additional profit; for example: selling insurance products. Banking is the business of providing financial services to consumers and businesses. The basic services a bank provides are checking accounts, which can be used like money to make payments and purchase goods and services; savings accounts and time deposits that can be used to save money for future use; loans that consumers and businesses can use to purchase goods and services; and basic cash management services such as check cashing and foreign currency exchange. Four types of banks specialize in offering these basic banking services: commercial banks, savings and loan associations, savings banks, and credit unions. A broader definition of a bank is any financial institution that receives, collects, transfers, pays, exchanges, lends, invests, or safeguards money for its customers. This broader definition includes many other financial institutions that are not usually thought of as banks but which nevertheless provide one or more of these broadly defined banking services. These institutions include finance companies, investment companies, investment banks, insurance companies, pension funds, security brokers and dealers, mortgage companies and real estate investment trusts. This article, however, focuses on the narrower definition of a bank and the services provided by banks in Canada and the United States. (For information

on other financial institutions, see Insurance; Investment Banking; and Trust Companies.) Banking services are extremely important in a free-market economy such as that found in Canada and the United States. Banking services serve two primary purposes. First, by supplying customers with the basic mediums-of-exchange (cash, checking 7 accounts, and credit cards), banks play a key role in the way goods and services are purchased. Second, by accepting money deposits from savers and then lending the money to borrowers, banks encourage the flow of money to productive use and investments. This in turn allows the economy to grow. Without this flow, savings would sit idle in someone's safe or pocket, money would not be available to borrow, people would not be able to purchase cars or houses, and businesses would not be able to build the new factories the economy needs to produce more goods and grow. Enabling the flow of money from savers to investors is called financial intermediation, and it is extremely important to a free market economy.

1.2 Structure of Indian Banking Industry



Organized banking was active in India since the establishment of the General Bank of India in 1786. After independence, the Reserve Bank of India (RBI) was established as the central bank and in 1955, the Imperial Bank of India, the biggest bank at the time, was taken over by the government to form state-owned State Bank of India (SBI). RBI had undertaken an exercise to merge weak banks to strong banks and the total number of banks thus reduced from 566 in 1951 to 85 in 1969. With the objective of reaching out to masses and meeting the credit needs of all sections of people, the government nationalized 14 large banks in 1969 followed by another 6 banks in 1980. This period saw enormous growth in the number of branches and the bank's branch network became wide enough to reach the weakest sections of the society in a vast country like India. SBI's network of 9033 domestic branches and 48 overseas offices is considered to be one of the largest for any bank in the world. The economic reforms unleashed by the government in early nineties included banking sector too, to a significant extent. Entry of new private sector banks was permitted under specific guidelines issued by RBI. A number of liberalization and de - regulation measures aimed at consolidation, efficiency, productivity, asset quality, capital adequacy and profitability have been introduced by the RBI to bring Indian banks in line with International best practices. With a view to giving the state -owned banks operational flexibility and functional autonomy, partial privatization has been authorized as a first step, enabling them to dilute the stake of the government to 51 per cent. The government further proposed, in the Union Budget for the financial year 2000-01, to reduce its holding in nationalized banks to a minimum of 33 percent on a case-by-case basis. The banking system can be broadly classified as

organized and unorganized banking system. The unorganized banking system comprises of moneylenders, indigenous bankers, lending pawnbrokers, landlords, traders, etc. Whereas the organized banking system comprises of Scheduled Banks and Non -Scheduled Banks that are permitted by RBI to undertake banking business. 10 The Indian Banking Industry can be broadly classified into:

A. Public Sector Banks

B. Old and New Private Sector Banks

C. Foreign Banks

D. Co-operative Banks

A. Public Sector Banks Public sector banks are banks where in the government has a holding of 100%. This been a situation prior to liberalization. The stake has fallen because of a public issue in the post liberalization period. Some of the other leading banks in this segment have also proposed to come out with an equity issue to raise further capital. The government is proposing to bring out a bill wherein its share in all these banks would stand reduced to 33% from the current levels The public sector banks largely dominate the Indian Banking industry. These banks till the early 90s were involved in the traditional banking business of deposits and credit lending. The public sector banks have a strong distribution network all over the country. But the strength of the earlier periods has now become a concern for these banks. As compared to the tech-equipped distribution network of the new private sector banks and the foreign banks, these banks have found it difficult to upgrade them on the technology front. These banks are also facing the problem of surplus manpower. Most of these banks are now coming out

with a VRS to bring down their number of employees and improve the efficiency ratios. The public sector banks still control a major share in the banking operations of the country. Their inefficiencies have been exposed only when the market was thrown open for competition and new players started eating up their share. But given their size and the strong network, most of these banks can change their perception. The recent thrust on reduction of government stake; VRS, NPA settlement schemes etc. have been some of the steps in this direction. Since the growth of the economy is largely dependent on the performance of these banks, even with the growth of new private and foreign players, these banks will have an important role to play. Some of the players here are State Bank of India and its associates, Bank of Baroda, Corporation Bank, Punjab National Bank, Union Bank of India, etc.

B. Old and New Private Sector Banks

- Private Sector Banks-Old These banks existed prior to the promulgation of Banking Nationalization Act but were not nationalized due to their smaller size and regional focus. Most of these banks continue to have a regional focus and are relatively smaller in size. A large number of these banks are basically from the south. Being small in size, these banks focus on service and technology and thus face competition from new private and foreign banks. Most of these banks are trying to increase their presence nationwide and are planning to enter other business areas like insurance. The old private sector banks have performed reasonably well during the FY2000. As these banks were facing stiff competition from the new private banks and the foreign players who were making inroads in their markets, these

banks have been able to increase their net profits by over 50%. As a result of the increasing competition in the sector, these banks have been trying to improve upon their margins and asset quality. Most of these banks have a high CAR and as such they do not face any capital constraint in their growth plans. Even their return on net worth has been at par in most of the cases with the other new players in the market. But the coming years would be more challenging for these banks as the public sector are also trying to adapt to the new environment and the new banks have already equipped themselves to have a major share in any opportunity that would accrue. Some of the private sector-old players are Bank of Madura Ltd., Thailand Mercantile Bank Ltd., The Jammu & Kashmir Bank Ltd., The Visa Bank Ltd., etc.

- Private Sector Banks- New the Banking Regulation Act was amended in 1993 permitting the entry of new private sector banks. The act also specified certain criteria for establishing new private sector banks. The criteria are as follows:

1. The banks should have a minimum net worth of Rs1bn.
2. The promoters holding should be minimum 25% of the paid-up capital.
3. The banks should offer shares to the public within three years of their operations. The first new private sector bank started operations in 1995. The minimum net worth requirement of Rs1bn and difficulty in getting the banking license has kept the option open for very few players. The financial institutions have promoted many of these banks. With emphasis on service and technology, it is for the first time that Indian banks are challenging the foreign

banks. These banks are making heavy use of technology to give good service on par with foreign banks but to a much wider audience e.g., branch size has been reduced considerably by using technology and having less manpower. This saves the cost of the branch. In addition, the ATM etc. helps drawing large customers to one branch. The new private banks have been consistently gaining market share from the public sector banks. The major beneficiary of this has been corporate clients who are most sought after now. The new private sector banks have performed very well in the FY2000. Most of these banks have registered an increase in net profits of over 50%. They have been able to make significant inroads in the retail market of the public sector and the old private sector banks. During the year, the two leading banks in this sector had set a new trend in the Indian banking sector. HDFC Bank, as a part of its expansion 13 plans had taken over Times Bank. ICICI Bank became the first bank in the country to list its shares on NYSE. Some of the private sector-new players include, Centurion Bank Ltd., Global Trust Bank Ltd., HDFC Bank., ICICI Banking Corporation Ltd., IDBI Bank Ltd., etc.

C. Foreign Banks Foreign banks have been doing the normal banking business in the country. During the period of nationalization, the entry of new foreign banks and expansion by existing foreign banks were prohibited. Even, when the norms were relaxed later on, RBI was very slow in granting any further approvals to these banks. But most of these banks have concentrated on the metropolitan cities of the country and have been able to do reasonably well. These banks have used the latest technology to compensate for the limited number of branches they have. In the post liberalization period, there has been a sharp increase in the total business done by the foreign banks. A number of

new players have entered and the existing players have consolidated their position in the market. In the last couple of years, some of the foreign banks have entered the retail segment and introduced a number of new products in the market. This has intensified the competition in the banking sector and has made most of the old players rethink their strategy. Some of the foreign banks operating in India are ABN-AMRO Bank N.V., ANZ Grind lays Bank Ltd, Citibank N.A., Deutsche Bank AG, Standard Chartered Bank, etc.

D. Co-Operative Banks Co-operative banks are a part of the vast and powerful superstructure of co - operative institutions, which are engaged in the tasks of production, processing, marketing, and distribution, servicing, and banking in India. The co -operative banks were conceived in order to substitute unorganized money market agencies like moneylenders, to provide adequate short-term and long-term institutional credit at reasonable rates of interest, and to bring about integration of the unorganized and organized segments of the money market. The main aim of the co-operative banks is to provide cheaper credit to their members, and not to maximize their profits. There has been an impressive growth in deposits, credit and working capital of these banks. The annual rates of growth of co-operative banks have been quite high, and are comparable with those of commercial banks. The government and the RBI have taken a number of steps to improve the health and strength of co-operative banks in India. In keeping with other financial sectors reforms, certain co-operative banking reforms also have been carried out after 1991.

INDIAN BANKING INDUSTRY ANALYSIS:

The banking scenario in India has been changing at fast pace from being just the borrower and lenders traditionally, the focus has been shifted to more differentiate and customized product/service provider from regulation to liberalization in the year 1991, from planned economy to market.

Economy, from licensing to integration with Global Economics, the changes have been swift. All most all the sector operating in the economy was affected and banking sector is no exception as this. Thus, the whole of the banking system in the country has undergoes a radical change. Let us see how banking has evolved in past 75 years of independence.

After independence in 1947 and proclamation in 1950 the country act about drawing its road map for the future public ownership of banks was seen inevitable and SBI was created in 1995 to spearhead the expansion of banking into rural India and speed up the process of magnetization.

Political compulsions brought about nationalisation of banks in 1969 and lobbying by bank employees and their union added to the list of nationalized banks a few years later. Slowly the union grew in strength, while bank management stagnated. The casualty was to the customer services decline, complaints increased, and bank management was unable to item the rot.

In the meantime, technology was becoming a global phenomenon lacking a vision of the future and the banks earned badly in opposing the technology up

gradation of banks. They mistakenly believed the technology world lead to retrenchment and eventually the marginalization of union.

The problem faced by the banking industry soon surface in their balance sheets, but the prevailing accounting practice unable banks so dodge the issue.

NATIONALISATION IN 1969

Despite the provisions, control and regulations of the Reserve Bank of India, banks in India accepts the State Bank of India (SBI), remains owned and operated by private persons. By the 1960s, the Indian banking industry had become an important tool to facilitate the development of Indian economy.

The following banks were nationalized in 1969:

1. Allahabad Bank (now Indian Bank)
2. Bank of Baroda
3. Bank of India
4. Bank of Maharashtra
5. Central Bank of India
6. Canara Bank
7. Dena Bank (now Bank of Baroda)
8. Indian Bank
9. Indian Overseas Bank
10. Punjab National Bank
11. Syndicate Bank (now Canara Bank)
12. UCO Bank

13. Union Bank of India
14. United Bank of India (now Punjab National Bank)

NATIONALISATION IN 1980:

A second round of nationalisations of six more commercial banks followed in 1980. The stated reason for the nationalisation was to give government more control of credit delivery. With the second round of nationalisations, the government of India controlled around 91% of the banking business of India.

The following banks were nationalised in 1980:

1. Punjab and Sindh Bank
2. Vijaya Bank (now Bank of Baroda)
3. Oriental Bank of Commerce (now Punjab National Bank)
4. Corporation Bank (now Union Bank of India)
5. Andhra Bank (now Union Bank of India)
6. New Bank of India (now Punjab National Bank)

LATER ON, IN THE YEAR 1993, THE GOVERNMENT MERGED NEW BANK OF INDIA WITH PUNJAB NATIONAL BANK. IT WAS THE ONLY MERGE BETWEEN NATIONALISED BANKS AND RESULTED IN THE REDUCTION OF NUMBER OF NATIONALISED BANKS FROM 20 TO 19. UNTIL THE 1990s, THE NATIONALISED BANKS GREW AT A PACE OF 4%, CLOSER TO AVERAGE GROWTH RATE OF THE INDIAN ECONOMY.

The rules of the game under which banks operated changed in 1993. Norms on income recognition, assets classification and loan loss provisioning were put in place and capital adequacy ratio becomes mandatory. The cumulative impact of all these changes has been on the concept of state ownership in banks. It is increasingly becoming clear that the state ownership in bank is no longer sustainable.

The amendment of banking regulation act in 1993 was the entry of new private sector banks and foreign banks.

MAJOR PLAYER IN INDIA

- HDFC BANK LTD
- ICICI BANK LTD
- STATE BANK OF INDIA LTD
- PUNJAB NATIONAL BANK LTD
- BANK OF BARODA LTD
- FEDERAL BANK LTD
- AXIS BANK LTD
- ING VYSYA BANK LTD
- IDBI BANK LTD
- INDUSIND BANK LTD
- YES BANK LTD.

Detail of banks in India as of 2020-21

PUBLIC SECTOR BANK

There are 12 public sector banks as of 15 November 2021.

PRIVATE SECTOR BANK

At present, there are 21 private sector banks in India, as of 26 August 2021.

REGIONAL RURAL BANKS

There are 43 regional rural banks in India as on 1 November 2020.

SMALL FINANCE BANKS

There are 12 small finance banks as of now in India.

PAYMENT BANKS

At present, there are 6 payment banks registered in India.

CHAPTER – 3

PROFILE OF HDFC COMPANY



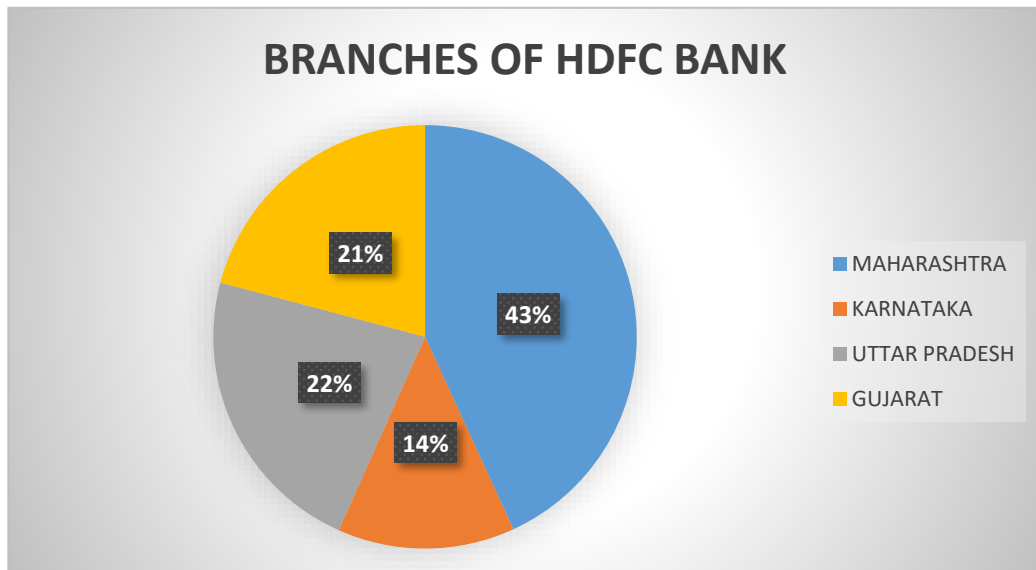
2.1 About HDFC bank

The Housing Development Finance Corporation Limited (HDFC) was amongst the first to receive an in-principal approval from the Reserve Bank of India (RBI) to set private sector, as part of the RBI

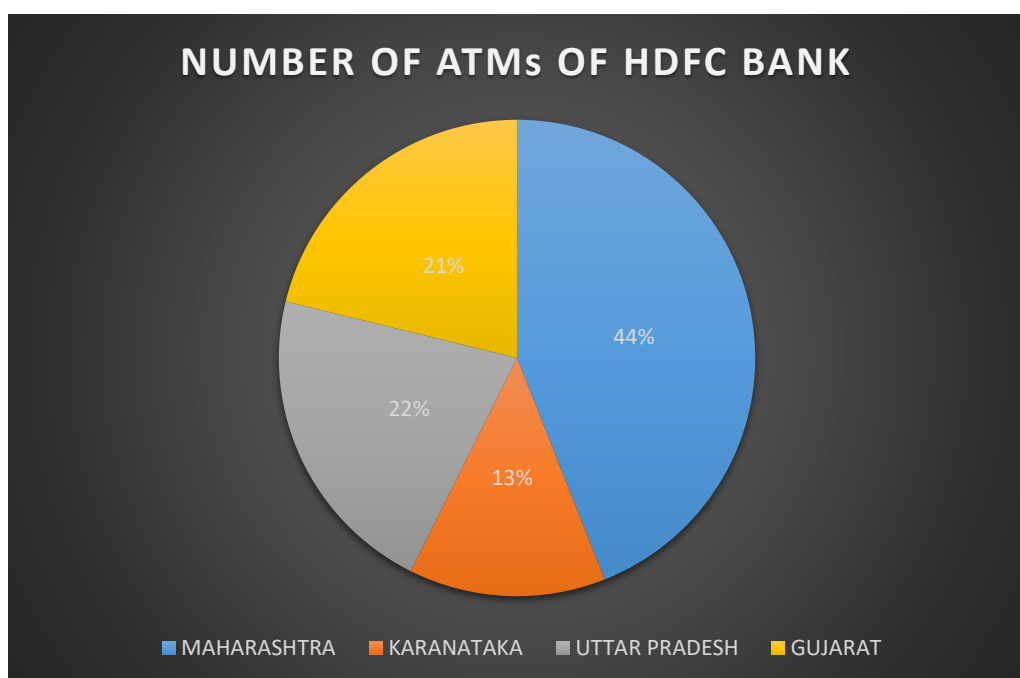
Liberalisation of the Indian Banking Industry in 1994. The bank was incorporated in August 1994 in the name of HDFC Bank Limited, with its registered office in Mumbai, India. HDFC Bank commenced operation as a Schedule Commercial Bank in January 1995. HDFC is India's premier housing finance company and enjoys an impeccable track record in India as well as in international market. Since its inception in 1977, the Corporation has maintained a consistent and healthy growth in its operation to remain the market leader in mortgages. Its outstanding loan profile covers well over a million dwelling units. HDFC has developed significant expertise in retail mortgage loans to different market segments and also has a large corporate Client base for its housing related credit facilities. With its experience in the financial markets, a strong market reputation, large shareholder base and unique consumer franchise, HDFC was ideally positioned to promote a bank in the Indian environment. HDFC Bank began operations in 1995 with a simple mission: to be a "World Class Indian Bank." We realized that only a single-minded focus on product quality and services excellence would help us to get there. Today, we are proud to say that we are well on our way to was that goal. HDFC Bank Limited (the Bank) is an India-based banking company engaged

in providing a range of banking and financial services, including commercial banking and treasury operations. The Bank has a network of 5653 branches and approximately 16291 ATMs in 2917 cities and a total number of employees are 120093.

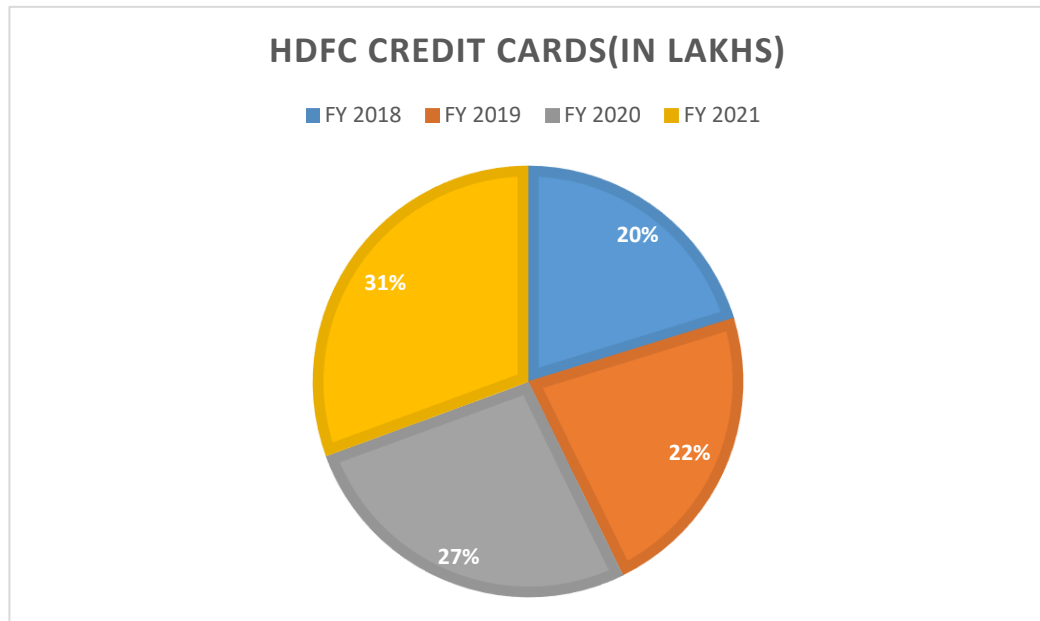
NUMBER OF BRANCHES OF HDFC BANK:



NUMBER OF ATMs OF HDFC BANK:



NUMBER OF CREDIT CARDS (IN LAKHS)



History:

Housing Development Finance Corporation Limited, more popularly known as HDFC Bank Ltd, was established in the year 1994, as a part of the liberalization of the Indian Banking Industry by Reserve Bank of India (RBI). It was one of the first bank to receive an “in principle” approval from RBI, for setting up a bank in the private sector. The bank was incorporated with the name “HDFC Bank Limited”, with its registered office in Mumbai. The following year, it started its operations as a Schedule Commercial Bank. Today, the bank boasts of as many as 5653 branches and over 16291 ATMs

across India. **Amalgamations:** In 2002, HDFC Bank witnessed its merger with Times Bank Limited (a private sector bank promoted by Bennett, Coleman & Co. /Times Group). With this, HDFC and Times became the first two private bank in the New Generation Private Sector Banks to have gone through a merger. In 2008, RBI approved the amalgamation of Centurion Bank of Punjab with HDFC Bank. With this, the Deposits of the merged entity became Rs. 122000 crores, while the Advance were Rs. 89000 crore and Balance Sheet size was Rs. 163000 crores. **Tech-Savvy:** HDFC Bank has always prided itself on a highly automated environment, be it in terms of information technology or communication systems. All the branches of the bank boast of online connectivity with the other, ensuring speedy funds transfer for the clients. At the same time, the bank's branch network and Automated Teller Machines (ATMs) allow multi-branch access to retail clients. The bank makes use for its up-to-date technology, along with market position and expertise, to create a competitive advantage and build market share. **Capital Structure:** At present, HDFC Bank boasts of an authorized capital of Rs 650 crore (Rs6.5billion), of this paid-up amount is Rs 5507656932. In terms of equity share, Institutional Investors (FII) have around

32.01% of the equity and about 18.67% is held by the ADS Depository (in respect of the bank's American Depository Shares (ADS) Issue). The bank has about 1349591 shareholders. Its share finds a listing on the Stock Exchange, Mumbai and National Stock Exchange, while it's American Depository Share are listed on the New York Stock Exchange (NYSE), under the symbol 'HDB'.

Company background:

COMPANY BACKGROUND	
INDUSTRY	FINANCE-BANK-PRIVATE SECTOR
BUSINESS GRUOP	HFDC GROUP
INCORPORATION	31/12/1994
PUBLIC ISSUE DATE	31/12/1995
HEADQUARTERS	MUMBAI, MAHARASHTRA, INDIA
COMPANY/ BUSINESS REGISTRATION NO.	INE040A01034
KEY OFFICALS (CEO)	SASHIDHAR JAGDISHAN
PRODUCTS	CREDIT CARDS CONSUMER BANKING COMMERCIAL BANKING FINANCE AND INSURANCE INVESTMENT BANKING MORTGAGE LOAN PRIVATE BANKING PRIVATE EQUITY WEALTH MANAGEMENT
REVENUE	120,883 CRORE (US\$16 BILLION) 2021
NET INCOME	31,116 CRORE (US\$4.1 BILLION) 2021
TOTAL ASSETS	1,746,870 CRORE (US\$230 BILLION) 2021
TOTAL EQUITY	203,169 CRORE (US\$27 BILLION) 2021
SUBSIDIARIES	HDFC SECURITIES HDB FINANCIAL SERVICES

Company Profile

The Housing Development Finance Corporate Limited (HDFC) was amongst the first to receive an “in principle” approval from the Reserve Bank of India (RBI) to set up a bank in the private sector, as part of RBI’s liberalization of the Indian Banking Industry in 1994. The bank was incorporated in August 1994 in the name of ‘HDFC Bank Limited’, with its

registered office in Mumbai, India. HDFC Bank commenced operations as a Scheduled Commercial Bank in January 1995.

As of March 31, 2021, the bank has nationwide distribution network 5653 branches and 16291 ATMs in 2917 cities/towns.

#Promoter: HDFC is India's premier housing finance company and enjoys an impeccable track record in India as well as in international markets. Since its inception in 1977, the Corporation has maintained a consistent and healthy growth in its operation to remain the market leader in mortgages. Its outstanding loan portfolio covers well over a million dwelling units. HDFC has developed significant expertise in retail mortgage loans to different market segments and also has a large corporate client base for its housing related credit facilities. With its experience in the financial markets, strong market reputation, large shareholders base and unique consumer franchise, HDFC was ideally positioned to promote a bank in the Indian environment.

#Business Focus: HDFC Bank's mission is to be a World Class Indian Bank. The objective is to build sound customer franchises across distinct businesses so as to be the preferred provider of banking services for the target retail and wholesale customer segments, and to achieve healthy growth in profitability, consistent with the bank's risk appetite. The bank is committed to maintain the highest level of ethical standards, professional integrity, corporate governance and regulatory compliance. HDFC Bank's business philosophy is based on five core values: Operational Excellence, Customer Focus, Product Leadership, People and Sustainability.

As on September 30, 2016 the authorised share capital of the Bank is Rs. 650 crores. The paid-up share capital of the bank is Rs.5091267434 (2545633717 equity share of Rs. 2 each). The HDFC Group holds 21.34% of bank's equity and about 18.58% of equity is held by ADS/GDR Depositories (in respect of the bank's American Depository Shares (ADS) and Global Depository Receipts (GDR) Issues). Also, 30.04% of the equity is held by Foreign Institutional Investors (FII) and the bank has 474443 shareholders.

HDFC Bank shares are listed on the BSE Limited and The National Stock Exchange of India Limited (NSE). The bank's American Depository Shares (ADS) are listed on the New York Stock Exchange (NYSE) under the symbol 'HDB' and Global Depository Receipts (GDRs) are listed on Luxembourg Stock Exchange under ISIN No US40415F2002.

#Capital Structure: As on 31st March, 2015 the authorized share capital of the bank was Rs. 550 crores. The paid-up share capital of the Bank as on the date was Rs. 5012990634/-(25064955317 equity shares of Rs. 2/- each). The HDFC Group holds 21.67% of the Bank's equity and about 18.87% of the equity was held by ADS/GDR Depositories (in respect of the bank's American Depository Shares (ADS) and Global Depository Receipts (GDR) Issues). 32.57% of the equity was held by Foreign Institutional Investors (FII) and the bank had 441457 shareholders. The shares were listed on the Bombay Stock Exchange Limited and the National Stock Exchange of India Limited. The Bank's American Depository Shares (ADS) are listed on the New York Stock Exchange (NYSE) under the symbol 'HDB' and the Bank's Global Depository Receipts (GDRs) were listed on Luxembourg Stock Exchange under ISNI No US40415F2002.

As on 31st December, 2020 the authorised share capital of the bank is Rs. 650 crore. The paid-up capital of the Bank as on the said date is Rs. 5507656932 comprising of 5507656932 equity shares of the face value of Re.1/- each. The HDFC Group holds 21.15% of Bank's equity and about 18.67% of the equity is held by the ADS Depositories (in respect of the Bank's American Depository Shares (ADS). 32.01% of the equity is held by Foreign Institutional Investors (FIIs) and the bank has 1349591 shareholders. The shares are listed on the BSE Limited and the National Stock Exchange of India Limited. The Bank's American Depository Shares (ADS) are listed on the New York Stock Exchange (NYSE) with symbol 'HDB'.

#Amalgamation of Times Bank & Bank of Punjab with HDFC Bank: On May 23, 2008, the amalgamation of Centurion Bank of Punjab with HDFC Bank was formally approved by Reserve Bank of India to complete the statutory and regulatory approval process. (Just for information)

#Distribution network: HDFC Bank is headquartered in Mumbai. As of March 31, 2015, the Bank's distribution network was at 4014 branches in 2464 cities. All the branches are linked on an online real-time basis. Customers across India are also serviced through multiple delivery channels such as Phone Banking, Mobile Banking and SMS based banking. The Bank's expansion plans take into account the need to have a presence in all major industrial and commercial centres, where its corporate customers are located, as well as the need to build a strong retail customer-based base for both deposits and loan products. Being a clearing/ settlement bank to various leading stock exchanges, the Bank had branches in centres where the NSE/ BSE have a strong and active member base. The bank also has a network of 11766 ATMs

across India. HDFC Bank's ATM network can be accessed by all the domestic and international Visa/Master Card, Visa Electron/ Maestro, Plus/ Cirrus and American Express Credit/ Charge cardholders.

HDFC Bank is headquartered in Mumbai. As of June 30, 2021, the Bank's distribution network was at 5653 branches across 2917 cities. All branches are linked online on a real-time basis. Customer across India are also serviced through multiple delivery channels such as Phone Banking, Mobile Banking, and SMS based banking. The Bank's expansion plans take into account the need to have a presence in all major industrial and commercial centres, where its corporate customers are located as well as the need to build a strong retail customer base for both deposits and loan products. Being a clearing / settlement bank to various leading stock exchanges, the Bank has branches in centre where the NSE / BSE have a strong and active member base. The Bank also has a network of 16291 ATMs across India. HDFC Bank's ATM network can be accessed by all domestic and international Visa/MasterCard, Visa Electron/Maestro, Plus/Cirrus and American Express Credit/Charge cardholders.

#Technology: HDFC Bank operates in highly automated environment powered by information technology and communication systems. All branches have online connectivity which enables speedy funds transfer for customers. Multi-branch access is also provided to retail customers through the branch network and Automated Teller Machines (ATMs).

We have made substantial efforts and investments in acquiring the best technology available internationally to build the infrastructure for a world class bank.

For our core banking software needs, the corporate banking business is supported by Flex cube, and the retail banking business by Fin ware, both from I-Flex Solutions Ltd. The systems are open, saleable and web-enabled.

HDFC Bank has prioritised its engagement in technology and the internet as one of its key goals and has already made significant progress in web-enabling its core businesses. In each of its businesses, the bank has succeeded in leveraging its market position, expertise and technology to create a competitive advantage and build market share.

#Board of Directors, Top Managements & Business Heads:

Board of Directors:

NAME	DESIGNATION
Mr. Atanu Chakraborty	Chairman
Mrs. Renu Karnad	Non-Executive Director
Dr.(Ms.)Sunita Maheshwari	Independent Director
Mr. Sashidhar Jagdishan	Managing Director & CEO
Mr. Malay Patel	Independent Director
Mr. Kaizad Bharucha	Executive Director
Mr. Umesh Chandra Sarangi	Independent Director
Mr. Srikanth Nadhamuni	Non-Executive Director
Mr. Sanjiv Sachar	Independent Director
Mr. Sandeep Parekh	Independent Director
Mr. MD Ranganath	Independent Director
Mrs. Lily Vadera	Additional independent director

Top Management:

NAME	DESIGNATION
Anjani Rathor	Chief Digital Officer
Arup Rakshit	Group Head
Jimmy Tata	Chief Credit Officer
Ramesh Lakshminarayanan	Chief Information Officer
Santosh Haldankar	Senior VP (LEGAL) & Co. Secretary
Srinivasan Vaidyanathan	Chief Financial Officer
Vinay Razdan	Chief Human Resource Officer

Business Head:

NAME	DESIGNATION
Sneha Kapoor	Marketing Head
Ravi Santhanam	CMO
Subhadra Vaidhyanathan	Digital Marketing
Harish Kumar Singla	Head Bancassurance
Gunjan Sharma	Product Head, Life Insurance & Principal Bancassurance
Vibha Padalkar	HDFC Life Insurance/CEO
Vinay Razdan	Head HR

Business Profile:

HDFC Bank caters to wide range of banking services covering commercial and investment banking on the wholesale side and transactional/branch banking on the retail side. The banks has three key business segments:



- **WHOLESALE BANKING:**

The Target market of banks is mainly large manufacturing companies in the corporate sector. It also has small & mid-sized corporate clients and agri-based businesses. The Bank provides commercial and transactional banking services, including trade services, cash management, working capital finance, transactional services, etc. to these customers. The bank is also a leading provider of structured solutions. The cash management services are combined with vendor and distributor finance. For its corporate customers, it facilitates superior supply chain management. HDFC Bank has made its way into the banking consortia of a number of leading Indian corporates based on its superior product delivery as well as superlative service levels. It has strong customer orientation including MNCs and companies from the domestic business players as well as the prime PSUs. It is a leading provider of cash management and transactional banking solutions. These services are provided to mutual funds, stock exchange member, corporate customer, as well as to banks.

- **TREASURY:**

The bank has three major product areas- **Local Currency Money Market, Foreign Exchange and Derivatives & Debt Securities, and Equities.** Because of liberalization of the financial markets in India, corporates

demand more sophisticated risk management advice, information and product structures. The various treasury products are provided through the bank's Treasury team. The bank is required to hold 25% of its deposits in government securities to comply with statutory reserve requirements. The Treasury business is responsible for managing the market risk and returns on this investment portfolio.

- **RETAIL BANKING:**

The HDFC Bank Preferred program for HNIs, the Investment Advisory Services and the HDFC Bank Plus programs are designed keeping in mind needs of customers. The Bank also has a range of retail loan products including Personal Loan, Auto Loan, Loans against marketable securities and Loans for Two-wheelers. It is also a leading provider of Depository Participant (DP) services for its retail customers. It provides its customers the facility to hold his/her investments in electronic form.

PRODUCTS OF HDFC BANK

Introduction:

- Account & Deposits
- Loans
- Cards
- Investment & Insurance
- Forex & Trade Services

- Payment Service

ACCOUNT & DEPOSITS SERVICE

Banking should be effortless. With HDFC Bank, the efforts are rewarding. No matter what a customer's need and occupational status, we have a range of solutions that are second to none. Whether you're employed in a company and need a simple Saving account or than your own business and require a robust banking partner, HDFC Bank not only has the perfect solution for you, but also can recommended products that can segment your planning for the future.

It includes these services:

- **Saving accounts**
- **Current accounts**
- **Fix deposits**
- **Demart account**
- **Safe deposits lockers.**

SAVING ACCOUNTS:

These accounts are primarily meant to include a sense of saving for the future, accumulating funds over a period of time. Whatever person's occupation, bank have confident that person will find the perfect banking solution.

CURRENT ACCOUNT:

HDFC Bank current account gives the power of inter-city banking with a single account and access to more than cities. From special cheques that get treated at par with local ones in any city where branch, faster collection of outstanding cheques (payable at branch location), free account to account funds transfer between HDFC Bank accounts to free inter-city clearing of up to 100 lakh per month, bank's priority services have become the benchmark for banking efficiency.

Now, with HDFC Bank Current Account, experience the freedom of multi-city banking. Person can have the power of multi-location access to his account from any of the 761 branches in 327 cities. Not only that, can do most of his banking transaction from the comfort of his office or home without stopping out.

FIX DEPOSIT SERVICES:

Long-term investment from the chunk of everybody's future plans. An alternative to simply applying for loans, fixed deposits allow to borrow from own funds for a limited period, thus fulfilling needs as well as keeping saving secure.

People can invest his/her money into either in security market or gold or mutual funds or into a fix for this purpose he has a better chance to deposits money into the fixed deposit.

If people believe in long-term investments and wish to earn higher interest on his/her savings, now is the time to invest money in HDFC Bank fixed deposit.

Get up to 9.75% on HDFC Bank Fixed Deposit with an additional 0.50% for

senior citizens. What's more NO PENALTY if withdraw part of the FD in times of need. Flexibility, Security and High Return all bundled into one offering.

Regular fix deposit: As per the rules and regulations of the bank a person can deposit their money into a fixed deposit in the bank and can get the benefits of these facilities.

Five-year tax saving fixed deposit: In 2006, it was announced for the first time that bank fixed deposits booked by an Individual/HUF for 5 yrs. & up to Rs100000/- will be allowed exemption under Sec. 80C of the Income Tax Act, 1961 subject to necessary declaration take form the customer.

Super saving facility: Customer can enjoy a high rate of interest along with the liquidity of Savings Account by opening for a Super Saver Facility on his or her savings account. Avail of an overdraft facility of up to 75% of the value of his/her Fixed Deposit.

Sweep-in facility: Do you wish to avoid taking overdrafts, and still take advantage of your Fixed Deposits? Then what you need is a Sweep-In Facility on savings account. Link Fixed Deposit to Savings or Current account and use it to fall back in case of emergencies. A deficit in saving or Current account is taken care of by using up an exact value from Fixed Deposit. Since deposits are broken down in units of Re1% customer will lose interest only for the actual that has been withdrawn.

**NEW RATES ARE EFFECTIVE FROM 1ST JANUARY 2022 AND
CAN CHANGE FROM TIME TO TIME (FIXED DEPOSIT RATES):**

PERIOD	GENERAL PUBLIC RATE (P.A)	SENIOR CITIZENS RATE (P.A)
7 days to 14 days	2.50%	3.00%
15 days to 29 days	2.50%	3.00%
30 days to 45 days	3.00%	3.50%
46 days to 60 days	3.00%	3.50%
61 days to 90 days	3.00%	3.50%
91 days to 6 months	3.50%	4.00%
6 months 1 day to 9 months	4.40%	4.90%
9 months 1 day to less than 1 yr.	4.40%	4.90%
1 year	4.90%	5.40%
1 year 1 day to 2 yrs.	4.90%	5.40%
2 yrs. 1 day to 3 yrs.	5.15%	5.65%
3 yrs. 1 day to 5 yrs.	5.30%	5.80%
5 yrs. 1 day to 10 yrs.	5.50%	6.25%

Demat Account Services:

Nowadays share market is becoming the main occupation of the person. So, to avoid faulty processes demat account is really most important for the share market and for the safety of shares it is most important.

HDFC Bank is one of the leading Depository Participant (DP) in the country with over 8 lac demat accounts.

HDFC Bank Demat services offers a secure and convenient way to keep track of securities and investments, over a period of time, without the hassle of handling physical documents that get mutilated or lost in transit.

HDFC BANK is Depository participant both with – National Securities Depository Limited (NSDL) and Central Depository Service Limited (CDSL).

Safe deposit lockers:

A safe deposit locker with HDFC Bank is the solution to person's fear. Located at select branches in cities all over the country, bank's lockers consume the safe keeping of valuables.

Eligibility:

- An individual (not minor), firm, limited company, associations, clubs, trust, societies, etc. may hire a locker.
- Advantages of safe deposit locker.
- Wide availability.
- Locker available in various sizes i.e. Small, Medium, Large and Extra-large with varying rents.

- Lockers are rented out for a minimum period of one year. Rent is payable in advance.
- No deposits are required to avail a locker. Just open an account and get the locker facility.
- There is a nominal annual charge, which depends on the size of the locker and the centre in which the branch is located.
- Nomination for Safe Deposit Locker
- The lockers and their contents can be nominated to people near and dear to you
- Nomination facility is available to individual hire of Safe Deposit Locker
- In the case of a sole hirer of a safe deposit locker, nomination can be made in favour of only one individual
- Where the safe deposit locker is hired in the name of a minor, the nomination shall be made by a person lawfully entitled to act on behalf of the minor
- Term and condition
- For obtaining a locker at HDFC Bank you must be an account holder with bank
- Lockers can be allotted individually as well as jointly
- The locker holder is permitted to add or delete names from the list of person who can operate the Lockers and can have access to it
- Loss of key is to be immediately informed to the concerned branch

LOAN SERVICES:

In today's competitive world all things happen only with the help of money or through the money every person need money. But sometimes a person has not cash on hand at that time he needs loans either from friend or from any financial institute. Loan does not mean that only lower-class person needs it but also upper-class person it is needed.

As per the requirement of every person there are variety of loan services that are provided by the Banks. Types of loans provided by HDFC Bank are given as the following list:

- **PERSONAL LOAN**
- **HOME LOAN**
- **VEHICLES LOAN**
- **EXPRESS LOAN PLUS**
- **GOLD LOAN**
- **EDUCATION LOAN**
- **LOAN AGAINST SECURITIES**
- **LOAN AGAINST PROPERTY**

Personal Loan: A person has so many dreams but sometimes due to scarcity of money a dream can't be satisfy. So, here one solution for that person this is personal loan. From this he/she can fulfil their needs or requirement. It can be anything either a dream of vacation or son daughter's admission college or any wedding, so personal loan can be helpful in this entire requirement. A personal loan is type of loan that allows flexible use, short-to moderate-term repayment options and relatively quick funding. Whether you're trying to consolidate

high interest debt, start a business or pay an expensive medical bill, a personal loan can help you accomplish your goal.

House Loan: HDFC Bank brings, HDFC home loan to doorstep. With more than 30yrs. Of experience, a dedicated team of experts and a complete package to meet all housing finance needs, HDFC Home Loans, help people realize dreams.

Vehicle Loan: Nowadays the life is being so fast, time value is becoming more important so to reach at the destination of any business-related occasion or for a boy to reach college or anywhere at the fix time there are so many requirements of vehicles. But every people have no capacity to purchase vehicle with cash so for that here in the HDFC bank vehicles loan is available. There are many types of vehicle loans.

- **Two-wheeler loan**
- **New car loan**
- **Used car loan**
- **Tractor loan (for agriculture business)**
- **Commercial vehicle loan**

So, as per the requirement of the person there are these types of loans are available this are at the chip rate and hassle free from more documentation and other procedure. And commercial businessman can get the benefits of the commercial vehicles loan. Thus, as per the need of different people there are vehicle loan available. And also, term and condition are different people there are vehicle loans available. And also, terms and condition are different as per the requirement.

Express Loan: Bank offers Express Loan Plus at person Doorstep to help fulfil all his/her needs. The procedure is simple, document is minimal and approval is quick. It is helpful to person is repairing of house, School admission or also in the family holiday.

Gold Loan: With HDFC Bank's Gold Loan, person can get an instant loan against gold jewellery and ornaments. The procedure is simple, documentation is minimal and approval is quick. A person can get 70% loan on the value of the gold jewellery and ornaments. There is also availability of the overdraft on the gold jewellery. With this a customer can get free additional services like free personalized cheque book, free international debit cards and free net banking phone banking services.

Education Loan: Nowadays important of education becoming very high as it is becoming costly. So, in the higher education sometimes people cannot afford a high price at a same time. So, there is education loan available for the student. A person can get loan up to 10 lakhs to study in India and 20 lakhs if he/she wants to study abroad. Loan available up to tenure of 7 yrs. including graduations period. Loan distributed directly to the educational institution. It is realised as per fee schedule of institution. Exclusive Telegraphic Transfer facility available for courses abroad. Loan available for short duration/job-oriented courses also.

Loan Against Securities: With HDFC Bank's Loan against Securities, person can get as overdraft against securities like Equity Shares, Mutual funds United (Equity, Debt, and FMPs), Gold Exchange Traded Fund (ETF), and NABARD's Bhavishya Nrima Bonds, Policies issued by LIC & Select Private

Insurance Companies, NSC, KVP, UTI Bonds (ARS & US64 Bonds) and gold deposit certificates, while still retaining ownership. And the best part is that he can continue to enjoy all certificates, while still retaining ownership. And the best part is that he can continue to enjoy all his shareholder benefits such as rights, dividends and borrows loan available so NRIs against Shares, Mutual Funds (equity, debt, FMPs), US64 Bonds, Insurance Policies, NSC and KVP.

Loan Against Property: HDFC Bank brings Loan against Property (LAP). Person can take a loan against residential or commercial property, to expand his business, plan a dream wedding and fund his/her child's education and much more. He/she can depend on the bank to meet all his/her business requirements even to purchase commercial property (LCP) is specially designed product to help person expand his business without reducing the capital from his/her business

These are loans services providing by HDFC bank which are very hassle free and really benefits for most of the customers and most of the customers are satisfied by the loan services provided by the bank.

Loans	Rate of Interest
Personal loan	10.75% to 21.50% p.a.
Home loan	6.70% p.a.
Vehicle loan(car)	7.95% p.a.
Express loan	
Gold loan (per gram)	9.00% p.a.
Education loan	9.55% to 13.25% p.a.
Loan against Security	Equity: 9.69% p.a. Debt: 8.40% p.a.
Loan against Property	Mortgage: 7.56% p.a.

Card Services

In today's competitive and fast time card services providing by the banks are really very important to every person and every business needs or to take meal in to the hotel or to purchase jewellery from the jewellery shop cards are playing good role in the banking sectors.

Banks ranges of cards help to meet financial objectives. So whether persons are looking to add to his buying power, conducting cashless shopping, or budgeting his expenditure, he will find a card that suits him.

Credit cards: A credit card is a payment card issued to users (cardholders) to enable the cardholder to pay a merchant for goods and services based on the cardholder's accrued debt (i.e., promise to the card issuer to pay them for the amounts plus the other agreed charges). The card issuer (usually a bank or credit union) creates a revolving account and grants a line of credit to the cardholder, from which the merchant or as a cash advance. There are two credit card groups: consumer credit card and business credit cards.

A person desires to buy or aspire things like, a foreign trip, an expensive diamond ring for dear one. Some of these dreams can't wait, if there's something person has always wanted. If a person wanted to fulfil his/her wants or desire he/she can get benefits from the HDFC Bank credit cards facilities.

Different types of credit card provided by HDFC Bank:

- **Classic card**
- **Silver card**
- **Value plus credit card**

Debit cards: A debit card (also known as a bank card, plastic card or check card) is a payment card that can be used in place of cash to make purchases. It is similar to a credit card, but unlike a credit card, the money for the purchase must be in the cardholder's bank account at the time of a purchase and is immediately transferred directly from that account to the merchants account to pay for the purchase.

HDFC Bank Debt Cards give person complete and instant access to money in his account without the risk or hassle of carrying cash. Types of debit cards:

- **Classic card**
- **Easy shop international card**
- **Premium card**
- **Easy shop gold debit card**

Prepaid card: Unlike a debit card, a prepaid card is not linked to a bank account. Generally, when you use a prepaid card, you are spending money that you have already loaded on to the card.

Besides offering convenience, prepaid cards have been tailored to answer travel and gifting needs. Types of prepaid cards are:

- **Forexplus cards**
- **Gift plus card**
- **Food plus card**
- **Money plus card.**

Investment & Insurance services

HDFC life Insurance company offers various types of traditional/ investment plans to its customer with attractive features and benefits. Here is the detailed list of plans along with their respective features and benefits.

Moreover, the company boasts of a strong foundation of sales force which helps to increase the company's market share in the insurance sector. The range of products offered by HDFC include Protection plans in the form of term plans, Child Plans, Saving and Investment Plans which are available in both conventional or ULIPs form and pension plans.

HDFC Life Sanchay: A traditional Endowment plan which has the following features:

- Guaranteed additions accrue under the plan for each complete policy year which depends up on the policy tenure. The rate of these additions is 8% of the Sum Assured for policy tenure of 15-19 years and 9% of the Sum Assured for the policy tenure of 20-25 years.
- On maturity, the Sum Assured and the aggregate Guaranteed Addition is paid to the policyholder.
- In case of death, higher of the Sum assured or 10 times the annual premium is paid including the Guaranteed Additions subject to a minimum of 105% of all premiums paid till the date of death.
- Smoker are charged with extra premiums
- Loan can be availed under the plan up to a maximum of 80% of the Surrender Value

- Tax benefits is available on the premium paid and the claim received. The premiums paid are exempt from taxation under Section 80C of the Income Tax Act and the claim received in exempt under Section 10 (10D) of the Income Tax Act.

Eligibility Detail of HDFC Investment Plan:

	Minimum	Maximum
Entry Age	30 days	45 Years
Maturity Age	18 years	70 years
Policy Term	15 years	25 years
Sum Assured	Rs. 112953	No limit
Annual Premium Amount	Rs. 30000	No limit
Premium Payment Term	5, 8, 10 years	
Premium Payment Frequency	Yearly, Half-yearly, Quarterly, Monthly	

HDFC Life Super Income Plan: A savings plan which also provides for regular incomes. The features of the plan are as follows:

- The plan has 6 options of availing the regular incomes each with a different combination of term, premium paying term and the benefit percentage.
- The Guarantee Base Income (GBI) is paid every year after the completion of the policy term. The rate of the benefit paid ranges from 8%-12.5% of the Sum Assured depending on the plan option chosen.

- The benefit can also be availed monthly @8% of the annual pay-out.
- On maturity, the last instalment of the GBI is paid along with the vested bonus, interim bonus and terminal bonus, if any.
- In case of death, higher of the Sum Assured on maturity or 10/7 times the annual premium including the vested bonus, interim bonus and terminal bonus, if any is paid subject to a minimum of 105% of the total premiums paid till the date of death.
- High Sum Assured rebates are allowed for coverages of Rs. 4 lakhs and above.
- Loan can be availed under the plan up to a maximum of 80% of the Surrender Value.
- Tax benefits is available on the premium paid and the claim received. The premiums paid are exempt from taxation under Section 80C of the Income Tax Act and the claim received in exempt under Section 10 (10D) of the Income Tax Act.

Eligibility Detail of HDFC Investment Plan:

	Minimum	Maximum
Entry Age	30 days	59 years
Maturity Age	18 years	75 years
Policy Term	16 years	27 years
Sum Assured	Rs. 128337	No limit
Annual Premium Amount	Rs. 24000	No limit
Premium Payment Term	8, 10, 12 years	
Premium Payment Frequency	Yearly, Half-yearly, Quarterly, Monthly	

HDFC Life Classic Assure Plus: A traditional Endowment Plan with following features:

- Guaranteed Reversionary Bonus @3% of the Sum Assured is added every year during the premium paying term.
- On maturity, the Sum Assured including the accrued bonuses, guaranteed reversionary bonus and terminal bonus, if any, is paid to the policyholder.
- In case of death, higher of the Sum Assured or 10 times the annual premium including the vested bonus, interim bonus and terminal bonus, if any is paid subject to minimum of 105% of the total premiums paid till the date of death.
- High Sum Assured rebates are allowed for coverage of Rs. 10 lakhs and above.
- Loan can be availed under the plan up to a maximum of 80% of the Surrender Value.
- Tax benefits is available on the premium paid and the claim received. The premiums paid are exempt from taxation under section 80C of the Income Tax Act and the claim received in exempt under Section 10(10D) of the Income Tax Act.

Eligibility Detail of HDFC Assure Plan:

	Minimum	Maximum
Entry Age	30 days	60 years
Maturity Age	18 years	75 years
Policy Term	10, 15, or 20 years	
Sum Assured	Rs. 49447	No limit
Annual Premium Amount	Rs. 12000	No limit

Premium Payment Term	7, 10 years
Premium Payment Frequency	Yearly, Half-yearly, Quarterly, Monthly

HDFC Life Super Savings Plan: A traditional Endowment Plan with the following features:

- It is participating plan which earns simple reversionary bonus, interim bonus and terminal bonus.
- On maturity, the Sum Assured and the vested bonuses is paid to the policyholder.
- In case of death, higher of the Sum Assured or 10 times the annual premium including the vested bonus, interim bonus and terminal bonus, if any is paid subject to a minimum of 105% of the total premiums paid till the date of death.
- The plan has an inbuilt Accidental Benefit Rider which pays an additional Sum Assured if the insured dies due to an accident.
- Loan can be availed under the plan up to a maximum of 80% of the Surrender Value.
- Tax benefits is available on the premium paid and the claim received. The premium paid are exempt from taxation under Section 80C of the Income Tax Act and the claim received in exempt under Section 10(10D) of the Income Tax Act.

Eligibility Details:

	Minimum	Maximum
Entry Age	30 days	60 years
Maturity Age	18 years	75 years
Policy Term	15 years	30 years
Sum Assured	Rs. 245145	No limit
Annual Premium Amount	Rs. 24000	No limit
Premium Payment Term	Equal to policy term	
Premium Payment Frequency	Yearly, Half-yearly, Quarterly, Monthly	

HDFC Life Sampoorna Samridhi Plus: A traditional Endowment plan which can be converted to a Whole Life Plan. The features are as follows:

- There are two plan options of Endowment and Endowment with whole life.
- The option of Endowment with Whole Life can be chosen where the plan runs till death of the insured or till he attains 100 years whichever is later and on death the Sum Assured on Maturity is paid.
- Guaranteed Additions are added in the first 5 policy years @3% for a term of 15-19 years, 4% for a term of 20-25 years and 5% for a term higher than 25 years.
- On maturity, the Sum Assured on maturity including the guaranteed additions vested bonuses and terminal bonus, if any, is paid.

- In case of death higher of the Sum Assured on maturity or 10/7 times the annual premium including the guaranteed additions, vested bonuses and terminal bonus, if any, is paid subject to a minimum of 105% of all premiums paid till the date of death.
- The plan has an inbuilt Accidental benefits Rider which pays an additional Sum Assured dies due to an accident.
- Rebates are allowed in premium for choosing a high Sum Assured level of Rs. 1.5 lakhs and above.
- Loan can be availed under the plan up to a maximum of 80% of the Surrender Value.
- Tax benefits is available on the premium paid and the claim received. The premiums paid are exempt from taxation under Section 80C of the Income Tax Act and the claim received is exempt under Section 10(10D) of the Income Tax Act.

Eligibility Details:

	Minimum	Maximum
Entry Age	30 days	60 years
Maturity Age	18 years	70 years
Policy Term	15 years	30 years of 100 year-age
Sum Assured	Rs. 65463	No limit
Annual Premium Amount	Rs. 12000	No limit
Premium Payment Term	Policy term- 5 years	
Premium Payment Frequency	Yearly, Half-yearly, Quarterly, Monthly	

HDFC Life Uday: A traditional plan with following features:

- It is a participating plan which earns simple reversionary bonus, interim bonus and terminal bonus.
- Guaranteed Additions @3% of the Sum Assured at maturity accrue in first 5 years of plan.
- On maturity, the Sum Assured on maturity including the guaranteed additions, vested bonuses and terminal bonus, if any, is paid.
- In case of death higher of the Sum Assured on maturity or 10/7 times the annual premium including the guaranteed additions, vested bonuses and terminal bonus, if any, is paid subject to a minimum of 105% of all premiums paid till the date of death.
- The plan has an inbuilt Accidental Benefit Rider which pays an additional Sum Assured if the insured dies due to an accident.
- Rebates are allowed in premium for choosing a high Sum Assured level of Rs. 2 lakhs and above.
- Loan can be availed under the plan up to a maximum of 80% of the Surrender Value.
- Tax benefit is available on the premium paid and the claim received. The premium paid are exempt from taxation under Section 80C of the Income Tax Act and the claim received is exempt under Section 10(10D) of the Income Tax Act.

Eligibility Details:

	Minimum	Maximum
Entry Age	18 years	55 years
Maturity Age	30 years	70 years
Policy Term	12 years	15 years
Sum Assured	Rs.28465	No limit
Annual Premium Amount	Rs. 5000	No limit
Premium Payment Term	8 or 10 year	
Premium Payment Frequency	Yearly, Half-yearly, Quarterly, Monthly	

Investments

Various investment plans are given below:

Mutual funds:

HDFC Mutual Fund is the second largest mutual fund house by asset size in India. The funds house manages assets worth (AUM) of Rs. 3.70 lakhs crore for the quarter ending March 2020. The asset size of the fund house decreased by 3.30% from its December 2019 quarterly figure. The fund has been around nearly for 20 years.

HDFC Mutual Fund is a joint venture between Housing Development Finance Corporation Limited (HDFC) and Standard Life Investments Limited (SLI). While HDFC owns 52.7% stakes in the fund house, SLI owns 26.9%. HDFC Mutual fund offers approximately 122 schemes to investors. It offers

15 equity schemes, 88 debt schemes, 14 hybrid schemes and 5 ETFs, gold & fund of funds scheme. HDFC Mutual fund has a large team of good fund managers. The CEO of the fund house is Navneet Munot.

Insurance:

HDFC ERGO General Insurance: HDFC ERGO brings to you my health Suraksha, a unique health insurance plan, providing optimum health coverage at an affordable price. Health Suraksha includes hospitalisation in the event of an accident or sickness, pre and post hospitalisation expenses, day care expenses. Moreover, you get a renewal bonus for each claim-free year.

Bonds:

Bond refers to high-security debt instrument that enables an entity to raise funds and fulfil capital requirements. It is a category of debt that borrowers avail from individual investors for a specified tenure.

FOREX & Trade services

Forex: Foreign exchange is the trading of one currency for another. For example, one can swap the US dollar for the euro. Foreign exchange transaction can take place on the foreign exchange market, also known as forex market.

In foreign exchange markets, currencies are bought and sold. In reality, foreign exchange is traded virtually 24*7. Forex is the world's largest market. Everyday trillions of dollar of transactions are done. The foreign exchange financial market is the most liquid in the world.

HDFC Bank provides a Forex Plus card that offers a safe and easy way to carry foreign currency on your travel abroad ensuring that you are not inconvenienced on foreign shores. They are safer than cash, easier to use than traveller's cheques, and cheaper to use than a credit or debit cards. They are widely accepted and protect you from fluctuations in foreign exchange rates.

Trade Service: Trade service or trade finance signifies financing trade, and it concerns both domestic and international trade transactions. A trade transaction requires a seller of goods and services as well as a buyer. Various intermediaries such as banks and financial institutions can facilitate these transactions by financing the trade.

Payment services

Many of the large Indian commercial banks are providing services like payment gateways to make it easy for small and medium enterprises in India to take digital payments. HDFC is one of these bank that is providing a safe and secure platform with multiple payment options for the customers.

Nowadays life of a person becomes very stressful and he/she becoming very busy with their business, but they have to do some kind of payments for something so for that reason bank's payment services becomes started.

Financial Performance

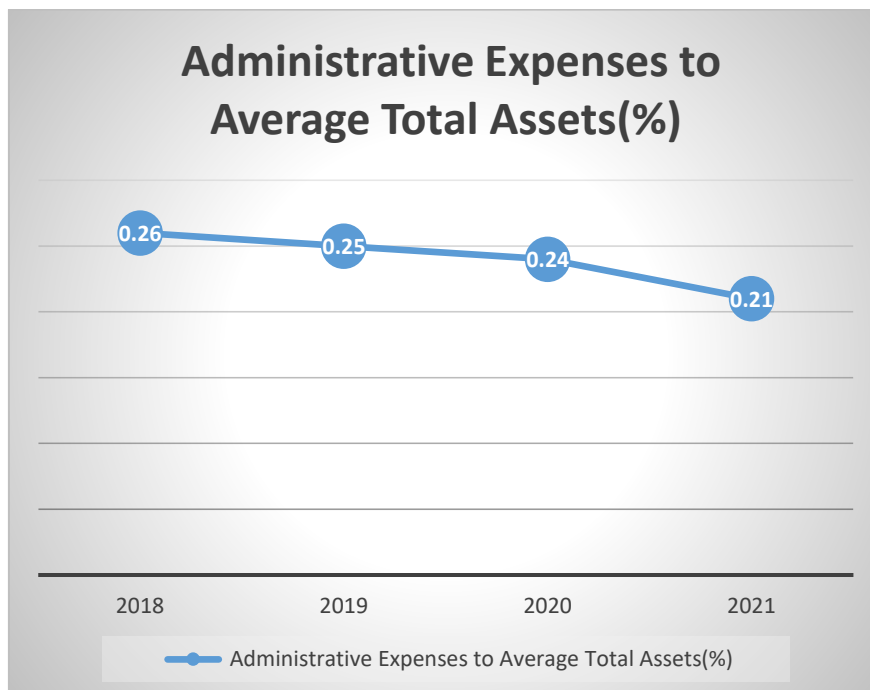
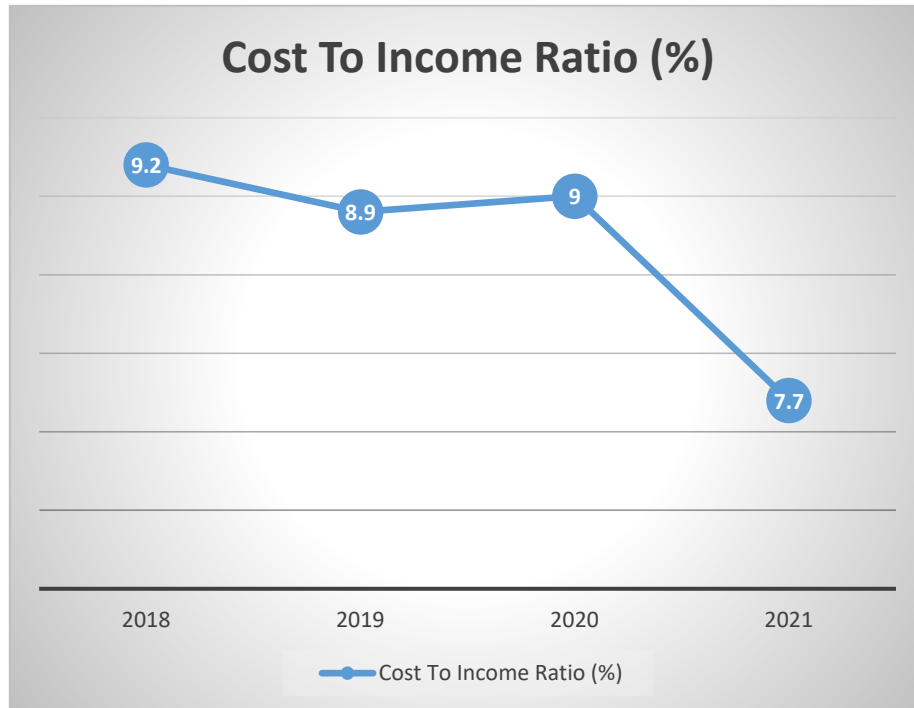
The income of corporation for the year ended March 31, 2021 was 48176 crore.

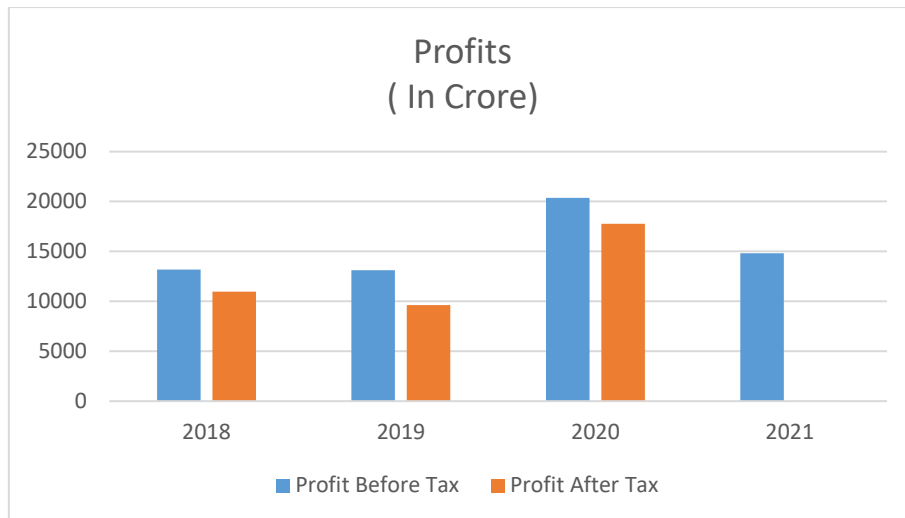
The financials for the year ended March 31, 2021 are not comparable with that of the previous year. In the previous year, the corporation had fair value gain consequent to the merger of GRUH Finance Limited (GRUH) with Bandhan Bank Limited amounting to 9020 crore. The total income in the previous year was 58763 crore. Further, during the year profit on sales of investments and dividend income was lower compared to the previous year.

Total expenses stood at 33361 crore compare to 38412 crore in the previous year. Partly owing to the low interest rate regime during the year under review, the lower revenue from operations was offset by reduced expenses as well.

The net interest income (NII) for the year ended March 31, 2021 stood at '15172 crore compared to' 12904 crore in previous year, representing a growth of 18%. Inclusive of fees and income on assigned loans, the NII for the year ended March 31, 2021 stood at 16372 crore compare to 13909 crore in the previous year.

The reported profit before tax for the year ended March 31, 2021 stood at 14815 crore compare to 20351 crore in the previous year. After providing for tax of 2788 crore (Previous year: 2581 crore), the profit after tax before other comprehensive income for the year ended March 31, 2021 stood at 12027 crore compared to 17770 crore in the previous year.





Note: In FY20, GRUH Finance merged with Bandhan Bank. As per IndiAS, the Corporation had on derecognition of the investment in GRUH, recorded a fair value gain of Rs 9020 crore through the Statement of Profit and Loss of FY20.

To reiterate, the reported profit numbers for the year ended are not comparable with those of the previous year owing to the following:

- Profit on sale of investments for the year ended March 31, 2021 stood at 1398 crore compared to 3524 crores in the previous year. During the year under review, the profit on sale of investments pertained to the stake sale of 1.43% in HDFC Life Insurance Company Limited (HDFC Life). In the previous year, the profit on sale of investments pertained to the stake sale of GRUH.
- Fair value gain consequent to the merger of GRUH with Bandhan Bank in the previous year amounted to 9020 crores.
- Net gain on fair value changes and income on loans assigned: 2146 crore (Previous year: 1067 crore).

- Dividend income for the year ended March 31, 2021 stood at 734 crores compared to 1081 crore in the previous year. The drop in dividend income was because in the first half of the year under review, the regulators for banks and insurance companies did not permit payment of dividends ended March 31, 2020 owing to uncertainties due to COVID-19. Accordingly, the Corporation did not receive any dividend from its investment in banks. In February 2021, the insurance regulator permitted insurance companies to pay dividend from the current year's profits. Accordingly, the Corporation received interim dividend from HDFC ERGO General Insurance Company Limited (HDFC ERGO), but HDFC Life did not pay any dividend in FY21.
- During the year, the Corporation approved the 'Grant of Stock Option under the HDFC Employees Stock Option Scheme 2020'. Under Indian Accounting Standards (IndAS), the employee stock option is required to be fair valued and charged to Statement of Profit and Loss as a part of employee benefits expenses primarily over the vesting period. This resulted in a charge to the Statement of Profit and Loss of 338 crore during the year ended March 31, 2021 compared to 14 crores in the previous year.
- Provisioning (including provisioning for the impact of COVID-19) for the year under review was 2948 crore compared to 5913 crores in the previous year.

To facilitate a like-for-like comparison, after adjusting for profit on sale of investment, fair value gain consequent to the scheme of amalgamation, other dividend, employee stock options and provisioning, the adjusted profit before tax for the year ended March 31, 2021 is 13823 crores compared to 11586 crores in previous year, reflecting a growth of 19%.

The total comprehensive income for the year ended March 31, 2021 stood at 13762 crore compared to 11117 crore in the previous year.

Balance sheet (Consolidated)

Financial Year 2018-21

Particulars	Mar'21 (Rs.). Cr	Mar'20 (Rs.). Cr	Mar'19 (Rs.). Cr	Mar'18 (Rs.). Cr
Sources of funds				
Capital	551.28	548.33	544.66	519.02
Reserves total	203169.55	170437.70	148661.69	105775.98
Equity Share Warrants	00.00	00.00	00.00	00.00
Equity Application Money	00.00	00.00	00.00	00.00
Deposits	1335060.22	1147502.29	923140.93	788770.64
Borrowing	135487.32	144628.54	117085.12	123104.97
Other Liabilities & Provision	72602.15	67394.40	55108.29	45817.45
Total Liabilities	1746870.52	1530511.26	1244540.69	1063988.06
Application of funds				
Cash & Balance with RBI	97340.73	72205.12	46763.62	104670.47
Balance with Bank & Money at Call	22129.66	14413.60	34584.02	18244.61
Investment	443728.29	391826.66	293116.07	242200.24
Advances	1132836.63	993702.88	819401.22	658333.09
Fixed Assets	4909.32	4431.92	4030.00	3607.20
Other Assets	45925.89	53931.09	46645.76	36932.43
Miscellaneous Expenditure not written off	0.00	0.00	0.00	0.00
Total Assets	1746870.52	1530511.27	1244540.69	1063988.04
Contingent Liability	971097.60	1128953.41	1024715.12	875488.22
Bills for Collection	44748.14	51584.90	49952.80	42753.83

INCOME STATEMENTS

Annual	FY 21	FY 20	FY 19	FY 18
Total income	146063.12	138073.47	116597.94	95461.66
Total income growth (%)	5.79	18.42	22.14	16.98
Provisions & contingencies	26245.31	22492.23	18671.57	15138.06
Provision & contingencies growth (%)	16.69	20.46	23.34	35.37
Profit after tax (PAT)	31116.53	26257.32	21078.17	17486.73
PAT growth (%)	18.51	24.57	20.54	20.19
Net interest margin (%)	3.71	3.67	3.87	3.76
Net profit margin (%)	25.74	22.86	21.29	21.79
Basic EPS (Rs.)	56.58	48.01	78.65	67.76

Annual	FY 21	FY 20	FY 19	FY 18
Advances	1132836.63	993702.88	819401.22	658333.09
Advances growth (%)	14.00	21.27	24.47	18.71
Deposits	1335060.22	1147502.29	923140.93	78877064
Deposits growth (%)	16.34	24.30	17.04	22.55
Total equity	203720.83	170986.03	149206.35	106295.00
Total equity growth (%)	19.14	14.60	40.37	18.82
Gross NPA (%)	1.32	1.26	1.36	1.30
Net NPA (%)	0.40	0.36	0.39	0.40
Capital adequacy ratio (%)	18.79	18.52	17.11	14.82
Contingent liabilities	971097.60	1128953.40	1024715.12	875488.23

CHAPTER – 4
LITERATURE REVIEW

Many studies have undertaken by researchers on the performance of Indian commercial banking. The studies have focused on ratio analysis, CAMEL rankings, liquidity, and profitability and so on. The performance of different banking groups in terms of profitability has been evaluated and appraised based on different ratios like ROA, ROE and NIM. The outcomes demonstrate that most of the banking groups have witnessed a downturn performance in terms of ROA.

According to (TANDON) the present study is conducted to study the financial performance of HDFC Bank on the basis of ratios such as ROE, ROA, OPR etc. The period of study taken is from the year 2017-21. The study found that HDFC Bank is performing well and is financially strong and good.

According to (NANDI) has been observed from the study that new private sector banks performed well as compared to selected public sector banks and old private sector banks from bankers' point of view.

Hypothesis

Hypothesis 1

HO = The financial status of the bank is strong.

H1 = The financial status of the bank is detaining.

Hypothesis 2

HO = The effect of ratio analysis on the bank is bad.

H1 = The effect of ratio analysis on the bank is good.

CHAPTER – 5
RESEARCH STUDY

Research Problem

Assessing the strength of an economy can be accomplished by studying the financial performance of its banks, (Hague and Sharma, 2017). Then banking and financial industry has become a reality in today's economy, as it is witnessing a growing both in terms of the number of such institutions, or in terms of the amount of money managed by or diversity activities. Financial statements help investors and organizations by giving a bird eye view of the performance and financial position of the company at a specific date. However, financial statements' information is only coherent to finance and accounting professionals. Investors, the common people, are unaware of financial complexities in the financial statements.as they only provide quantitative data. In the investors' perspective, these are only figuring rather than comprehensive information. In order to have meaningful information hidden under the figures, financial ratio analysis is an aid tool for explanation as financial ratios help investors and organizations in decision making.

So, the present study seeks to examine the financial performances of HDFC BANK in order to display meaningful information to the Potential and current inventors.

The researcher will select on the basis of their financial statements such as income statement, cash flow statements and balance sheet through Ratios analysis.

1.2 NEED AND IMPORTANCE OF THE STUDY

Significance of performance evaluation in an organization, for sustainable growth and development, has been recognized since long.

This calls for a system that first measures and evaluates the performance, and then brings out the strengths and weaknesses of the organization for the purpose of further improvement. Efficient performance evaluation system encompasses all aspects of an organization. With the advances in computational tools, performance evaluation systems have evolved over a period of time from single-aspect systems to more comprehensive systems covering all aspects of an organization.

Moreover, almost every industry, that envisages importance of evaluation, can adopt many methods to evaluate the performance.

It proves to be better for performance measurement, evaluation and strategic planning for future growth and development of the Indian banks in the light of changing requirements of this sector.

According to (Ms.M.Ganga, Mr.P.Kalaiselvan, & Ms.R.Suriya, 2018) financial analysis is a powerful mechanism which helps in ascertaining the strengths and weakness in the operation and financial position of an enterprise. Financial analysis is the starting point for making plans, before using any sophisticatedly forecasting and planning procedures.

1. This study helps to understand financial position of the company.
2. This Study suggests possible solution to overcome working capital problem.

1.3 SIGNIFICANCE OF THE STUDY

The main purpose of this study is to examine the financial performance of HDFC Banks. Commercial banks have played a vital role in giving direction to economic development by catering the financial requirement of trade and industry in the country. By encouraging thrift among the people, commercial banks have fastened the process of capital formation.

Banks draw the community savings into the organized sector which can then be allotted among the different economic activities according to the priorities laid down by planning authorities in the country. Since the study revolves around one of the popular issues of current business scenario, the following are the expected significances:

1. To provide an insight into the evaluation process of the banking sector.
2. To initiate the concerned banking organization to reassess existing practices and put a renewed emphasis on undermined ones.
3. To initiate interested researchers to carry out more extensive studies in this particular area.
4. To recognize the importance of financial performance in general and the Indian banking sector in particular and,
5. To draw attention towards the financial performance and financial ratios and contribution for correct decision making.

1.4 OBJECTIVES OF STUDY

1. To study the financial performance of HDFC Bank
2. To study the ratio analysis of HDFC Bank

1.5 RESEARCH METHODOLOGY

Research methodology defines the procedure of conducting research. Present study helps to briefly inform about the two study of the banking sector viz, HDFC bank. The financial performance of the HDFC bank with reference to its balance sheet, income statement and profit and loss data of the bank. The ratios are also collected to give the brief idea about the bank with a clear picture of the banks financial position in the market.

1.6 DATA COLLECTION

Two form of data collection and information gathering techniques prevail in the research environment.

1.6.1 Primary Data Collection

Primary data is that type of data which is collected for the first time and for the specific purpose of the research. In simple words this data does not prevail to be Confidential collected unless the need is desired for it. This type of information is the first-hand information collected exclusively for the purpose of the research.

The main advantage of using primary data is because it can be easily relied upon as the data is fresh and without any contamination and adulteration.

Secondly primary data is collected as this data is not available anywhere. However, the main disadvantage of collecting primary data is that it takes lot of time to conduct the data.

Secondly it requires lot of effort and cost in conducting the research. Some of the common tools of conducting primary data are by way of surveys,

- interview,
- Focus group discussion,
- In-depth interview,
- Observation techniques and
- Other form of discussion forums

1.6.2 Secondary Data Collection.

Secondary data is the form of data which is already present in the market and was collected by some other person for some different purpose. Any form of data which is collected and used immediately becomes secondary data for others for example many researchers carry out research which is primary but for students and academicians this later becomes secondary which we then refer in journals and confidential magazines. This type of data has more to do with past rather than the present since it is historical in nature. In simple words secondary form of data is any form of data which is present in the universe and collected by someone else for some other purpose.

The main advantage of using secondary form of data is that it is easy to collect. Secondly the time involved is relatively less than the primary data. Similarly, the efforts in collecting the secondary data are less than primary data

collection. Secondary data can be available to the researcher from multiple modes and source to primary data collection. However, there are a few disadvantages which secondary data has. Firstly, the data which is available might not purely satisfy the needs of the researcher since this data was collected by someone else for some other purpose. Secondly if there is any error in that secondary data it would carry the same for the researcher as well. Thus, trusting the authenticity of the data is very important. Some of the common sources of collecting secondary data is with the help of

- Journals,
- Magazines,
- Newspaper articles,
- Books,
- Periodicals,
- Annual reports,
- Company circulars,
- Government publications,
- Government websites,
- Industry association,
- Libraries,
- E-libraries,
- University database and Search engines

So, the current study is based on secondary data that has been collected from annual reports of the respective banks. The study covers the period of one year its cross-sectional study.

HYPOTHESIS TESTING

H₀= The financial status of the bank is strong.

As the research methodology tells the financial position of the HDFC Bank is strong and so the “H₀” is proven true as compared to “H₁”.

H₁= The effect of ratio analysis on the bank is good.

As the data analysis done in the end of the project proves the “H₁” true that the ratio analysis is good of the HDFC Bank compared to the “H₀”.

CHAPTER – 6

DATA ANALYSIS AND INTERPRETATION

Ratio analysis:

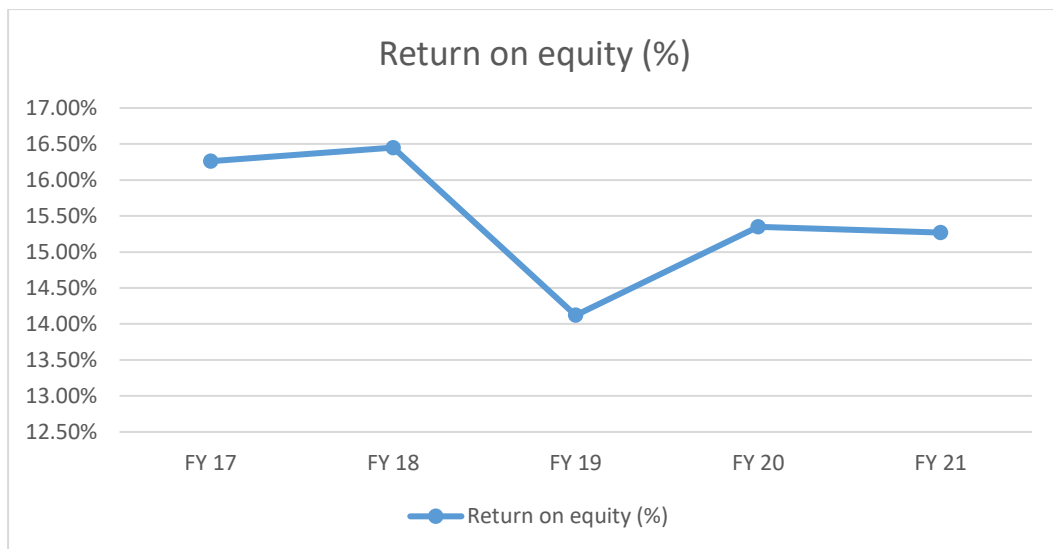
Ratio analysis is a quantitative method of gaining insight into a company's liquidity, operational efficiency, and profitability by studying its financial statements such as the balance sheet and income statement. Ratio analysis is a cornerstone of fundamental equity analysis.

Annual	FY 21	FY 20	FY 19	FY 18	FY 17
Return on equity (%)	15.27	15.35	14.12	16.45	16.26
Return on assets (%)	1.78	1.71	1.69	1.64	1.68
Cost to income (%)	40.37	38.52	38.41	39.62	37.84
Interest income to earning assets (%)	6.91	7.50	7.95	7.54	8.02
Interest expense to earning assets (%)	3.20	3.83	4.07	3.77	4.18
Operating profit margin (%)	4.89	2.60	3.48	2.82	3.25

Return on equity: Return on equity (ROE) is a ratio that provides investors with insight into how efficiently a company (or more specifically, its management team) is handling the money that shareholders have contributed to it. In other words, it measures the profitability of a corporation in relation to stockholders' equity. The higher the ROE, the more efficient a company's management is at generating income and growth from its equity financing.

- **Formula: Return on Equity (ROE) = Net Income / Average Shareholders' Equity**

	FY 21	FY 20	FY 19	FY 18	FY 17
Return on equity (%)	15.27	15.35	14.12	16.45	16.26

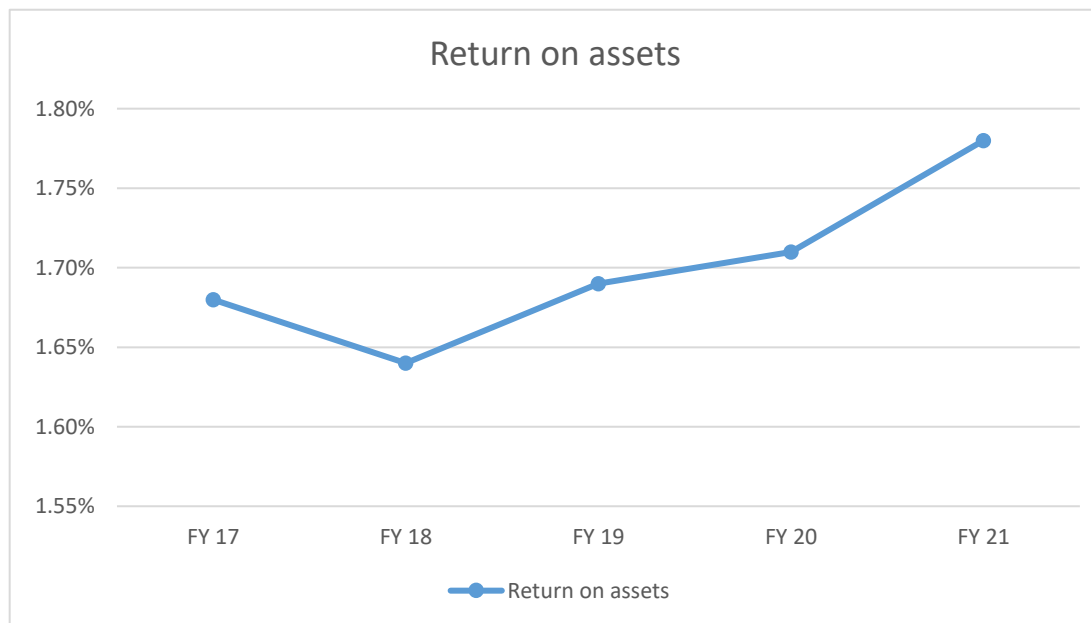


Interpretation: Comparatively the return on equity the financial year 2018 the return on equity was calculated to be 16.45 that was the highest. The lowest value of return on equity was stated in the financial year 2021 that was calculated to be 15.27.

Return on assets: The term return on assets (ROA) refers to a financial ratio that indicates how profitable a company is in relation to its total assets. Corporate management, analysts, and investors can use ROA to determine how efficiently a company uses its assets to generate a profit.

Formula: Return on asset= Net Income / Average total asset

	FY 21	FY 20	FY 19	FY 18	FY 17
Return on assets (%)	1.78	1.71	1.69	1.64	1.68

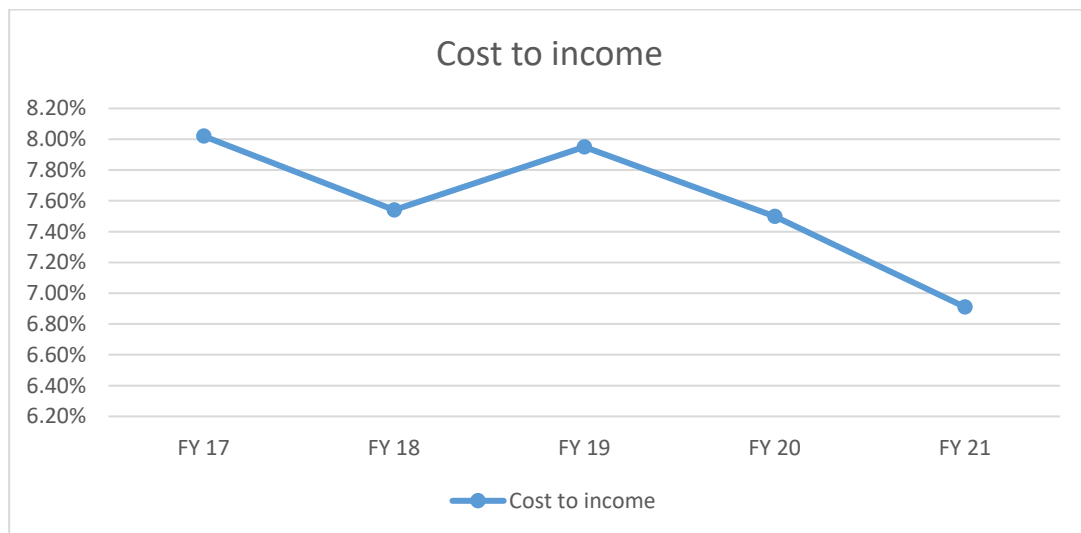


Interpretation: Comparatively the return on asset the financial year 2018 the return on equity was calculated to be 1.64 that was the lowest. The highest value of return on asset was stated in the financial year 2021 that was calculated to be 1.78.

Cost to income: The cost-to-income ratio is a metric that allows you to gauge how efficiently a business or organization is functioning.

Formula: $\text{cost-to-income ratio} = \text{Operating expenses} / \text{operating income}$

	FY 21	FY 20	FY 19	FY 18	FY 17
Cost to income (%)	6.91	7.50	7.95	7.54	8.02

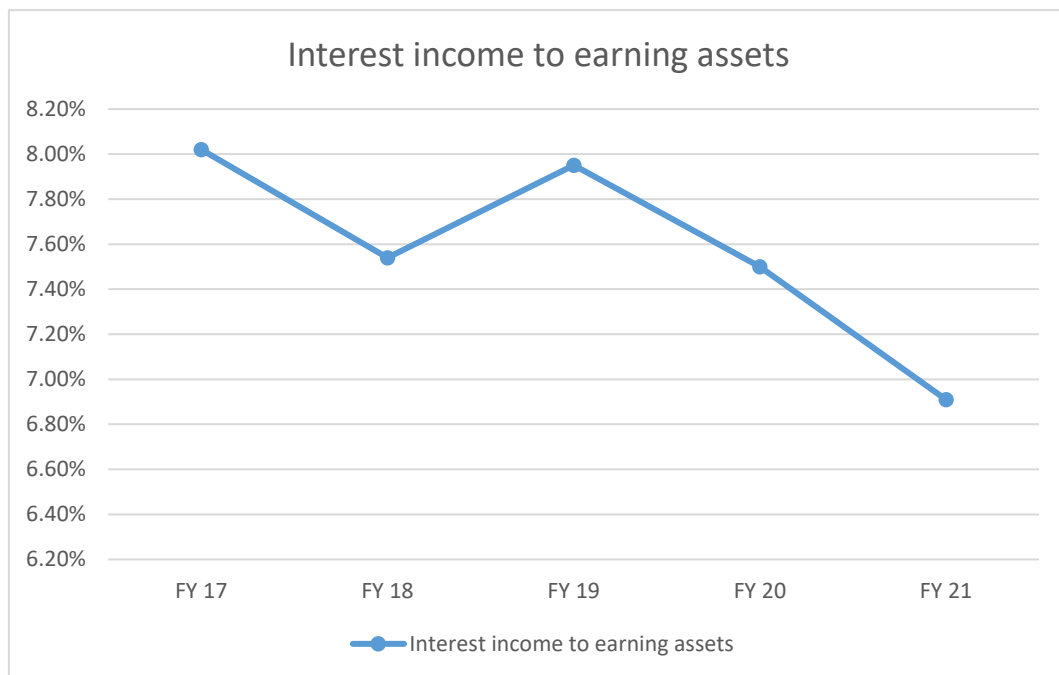


Interpretation: Comparatively the cost to income in the financial year 2021 the cost to income was calculated to be 6.91 that was the lowest. The highest value of cost to income was stated in the financial year 2017 that was calculated to be 8.02.

Interest income to earning assets: Earning assets are income-producing investments that are owned, or held, by a business, institution or individual. These assets also have a base value and the ability to produce additional funds beyond the inherent value for the investment holder. This allows the investment holder to maintain the assets as a source of earnings or sell the assets for a lump sum based on the inherent value.

Formula:

	FY 21	FY 20	FY 19	FY 18	FY 17
Interest income to earning assets (%)	6.91	7.50	7.95	7.54	8.02

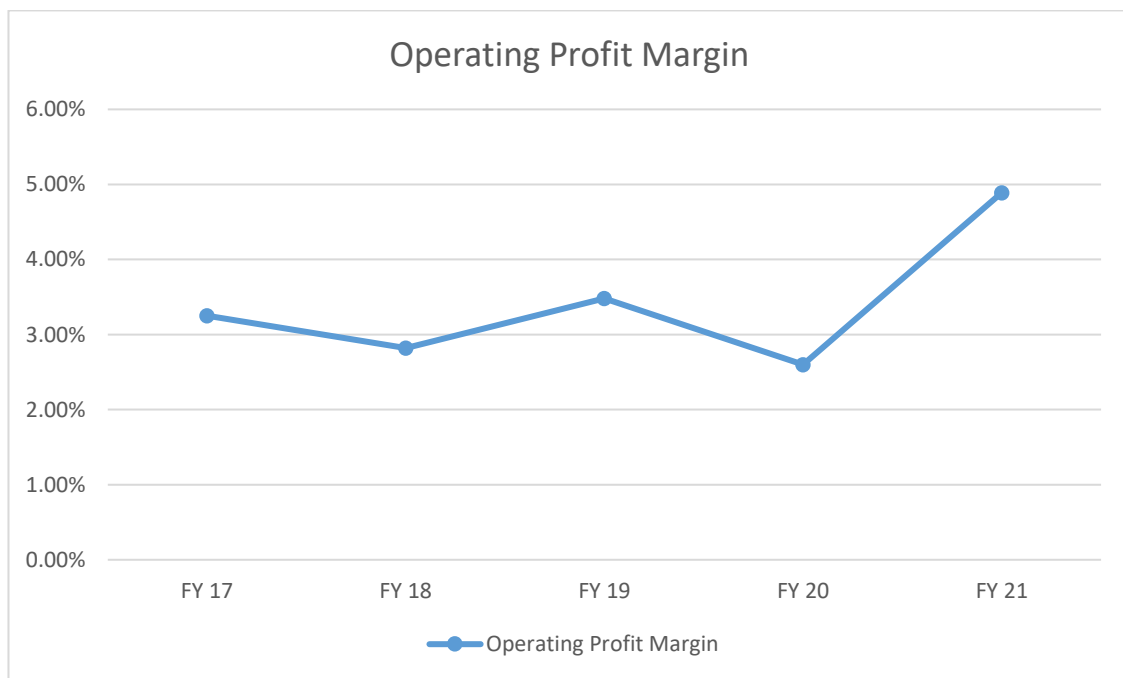


Interpretation: Comparatively the Interest income to earning assets in the financial year 2021 the cost to income was calculated to be 6.91 that was the lowest. The highest value of Interest income to earning assets was stated in the financial year 2017 that was calculated to be 8.02.

Operating profit margin (%): The operating margin measures how much profit a company makes on a dollar of sales after paying for variable costs of production, such as wages and raw materials, but before paying interest or tax. It is calculated by dividing a company's operating income by its net sales. Higher ratios are generally better, illustrating the company is efficient in its operations and is good at turning sales into profits.

Formula: Operating profit margin= Operating Profit/Net Sales * 100

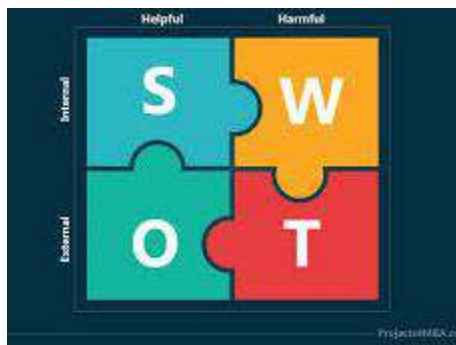
	FY 21	FY 20	FY 19	FY 18	FY 17
Operating profit margin (%)	4.89	2.60	3.48	2.82	3.25



Interpretation: Comparatively the Operating profit margin in the financial year 2021 the cost to income was calculated to be 4.89 that was the highest. The lowest value of Operating profit margin was stated in the financial year 2020 that was calculated to be 2.60.

CHAPTER - 8

SWOT ANALYSIS



SWOT Analysis:

SWOT Analysis of HDFC Bank focuses on Strength, Weakness, Opportunity, and Threats. Strength and weakness are internal factors and Opportunity and Threats are external factors. HDFC SWOT analysis helps the bank to analyse its market potential and helps bank to formulate strategies.

Strengths:

- HDFC bank has 5653 branches and 16291 ATMs and is second largest private bank in India.
- HDFC bank operates in 2917 Indian cities and has more than 800 telephone banking location to service customers.
- HDFC has a low turnover rate and is one of the best places to work in the private banking industry.
- HDFC has many recognitions and awards by various financial ranking institution such as Dun and Bradstreet, Financial Express, Euromoney award for innovation, Finance Asia awards, etc., it has won “Best Bank” awards.
- HDFC has a large number of financial advisors guiding customers for good investment option.
- Financial position: HDFC Bank has a solid financial position with consecutive earning over the last 5 years, along with accumulated income reserves that can be used to fund potential capital spending.

- Has a board asset base offering greater solvency?
- Return on capital expenditure: In the past, HDFC Bank was able to effectively produce positive return on the capital expenditure it spent on different ventures.
- Trained workforce: HDFC has an employee base of 120093 permanent full-time employees. HDFC Bank has invested heavily in its workforce training, which has resulted in it hiring a significant number of professional and motivated workers.
- Revenue of HDFC bank is 21 US billion Dollar.
- Entering new markets: Creative teams from HDFC bank have helped it to come up with new product and reach new markets. In past it was successful, in most of the initiatives it took in new markets.
- Social media: HDFC Bank has a strong social media presence with over millions of followers on the three most prominent social networking platforms: Facebook, Twitter, and Instagram. It has a high degree of customer engagement with low customer response time on those channels.
- Website: HDFC Bank has a well-functioning and engaging website that attracts a huge amount of traffic and sales on the internet.
- Product portfolio: HDFC Bank has a board selection of products and services.
- HDFC Bank's geography and location give it a cost advantage in serving its customers as compared with the competition. HDFC Bank products and services including retail banking, wholesale banking, auto loans, treasury, personal loan, two-wheeler loans, loans against property, lifestyle loan, consumer durable loan, pand credit cards, Payzapp and Smart BUY are HDFC Bank digital products.

Weakness:

- HDFC bank has no good presence in rural markets, where its direct competitor is expanding in the rural market as ICICI bank.
- In rural areas, HDFC does not enjoy first-mover privileges. With respect to banking institutions, rural residents are hard-core loyalists.
- HDFC lacks method for effective marketing, such as ICICI.
- The bank mainly works on high end consumers.
- Any of the commodity groups in the bank lack performance and have very little market presence.
- HDFC's share prices frequently fluctuate, causing investors to feel confused.

Opportunities:

- HDFC banks have strong criteria of assets quality than government will accelerate.
- Big enterprises and SMEs are rising at a very rapid rate. In terms of managing corporate salary accounts, HDFC has strong record.
- HDFC bank has increased its portfolio of bad debts and, relative to government banks, the recovery of bad debts is high.
- HDFC has really good overseas opportunities.
- Greater scope due to a good financial role for investments and strategic partnership.

Threats:

- The non-performing assets (NPA) of HDFC rose from 0.18% to 0.20%. While it is a small improvement, it is not a positive indication for the bank's financial health.
- Non-banking financial firms and banks of the modern era are rising in India.
- In order to deal with private banks, government banks are seeking to restructure.
- RBI has open up to 74% to invest in the Indian market for overseas banks.

CHAPTER – 9

CONCLUSION, BIBLIOGRAPHY

& QUESTIONNAIRE.

Findings

1. The Return on equity was 14.12% for Financial Year 2019 and it was increased to 16.45% for the Financial Year 2018 and for the Financial Year i.e.,2021 it is found to be declining gradually.
- 2.The Return on asset for FY 2021 was 1.78% and found to be decreasing to 1.64% as per FY 2018.
- 3.The Cost to Income ratio are below one. As for FY 2017 it was 8.02% and found to be decreasing to 7.50% for FY 2020. There is decrease in the Cost to Income ratio up to 6.91% for the FY 2021.
- 4.Operating Profit Margin of HDFC Bank is found to be positive. The Operating Profit Margin was 3.25% in FY 2017 and it went high to 4.89% in FY 2021.

Conclusion

The study is entitled “A Study on Overview of banking sector in special reference to HDFC Bank Limited” has been undertaken with the objective to analyse and interpret the bank’s financial performance. In general, the bank has achieved tremendous progress over the recent years. The bank has a healthy financial performance. The bank has been able to achieve heavy growth across multiple parameters, including customer’s acquisition, geographical spread, business volumes and revenues.

Your Bank believes that the Indian economy is expected to grow faster in 2021-20. The Bank is well positioned to continue to grow faster than the banking system both in retail and wholesale segments. A good monsoon holds the key to accelerated GDP growth and consequently to that of the banking industry. Over the next couple of years, the Bank will leverage on its distribution strength and digital platforms especially in the rural and semi-urban parts of the country for a more sustained growth. Your Bank will continue its focus on five core values of Customer Focus, Operational Excellence, Product Leadership, People and Sustainability. Needless to say, your Bank will continue to operate with the strongest possible commitment to Corporate Governance. All of this will help the Bank on its onward growth journey and help create long term shareholder value.

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Annual report of HDFC BANK 2019-20

Annual report of HDFC BANK 2020-21

Questionnaire

Name:

Age:

Contact no:

gender: Male / Female

Address:

Occupation:

Business { } Public sector { } private sector { } self-employed Other { }

Q1. On which bank you depend for your regular transaction?

- A. SBI
- B. ICICI BANK
- C. HDFC BANK
- D. OTHER BANK, SPECIFY (_____)

Q2. Are you aware of products & services provided by HDFC bank?

- a) Yes
- b) No

Q3. Are You aware of the advance products (loan segments) of HDFC bank?

- a) Yes
- b) No

Q4. Which bank you prefer for taking loans?

- A. SBI
- B. ICICI BANK
- C. HDFC BANK
- D. OTHER BANK, SPECIFY (_____)

Q5. If you prefer HDFC bank for taking loan than what influence you to take loan from HDFC bank?

Ans: _____

Q6. Which loan product of HDFC bank will you take?

- A. Home loan
- B. Education loan
- C. Car loan
- D. Personal loan
- E. Other loans, specify (_____)