

A

Major Project Report on

**A Study on evaluation of financial
performance of HDFC BANK LIMITED**



Submitted to Department of Commerce

Submitted BY:

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DEPARTMENT OF COMMERCE

Dr. BRR GOVT DEGREE COLLEGE, JADCHERLA

Palamuru University


2021-2022

CERTIFICATE

This is to certify that the project entitled A Study on evaluation of financial performance of HDFC BANK LIMITED is the bonafide work carried out by

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Finally we would like to thank all the employees of HDFC Bank Limited Who took time from their busy schedule giving us valuable learning experience.

We wish to thank Our **PARENTS** from whom we got full support during the project and our **FRIENDS** for their kind assistance in completing the project.

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ABSTRACT

This study has been carried out to evaluate the financial performance of HDFC Bank. 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. The bank at present has an enviable network of over 4,805 branches spread over cities across India. All branches are linked on an online real time basis. Customers in over 500 locations are also servicing through telephone banking. The bank also has a network of about over 12,860 networked ATMs 2,657 across cities and towns. HDFC Bank provides a number of products and services including wholesale banking and retail banking, treasury, auto loans, two-wheeler loans, personal loans, loans against property, consumer durable loans, lifestyle loan, credit cards and the various digital products. Financial performance of the above mentioned bank has been evaluated for the past five years i.e.2017, 2018, 2019, 2020 and 2021. The data analyzed by ratio analysis such as current ratio, cash position ratio, fixed assets ratio, debt-equity ratio and proprietary ratio and give interpretation to each ratio. To conclude this article the financial soundness of the bank is satisfactory during the study period.

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HISTORY OF BANKING

Banking is nearly as old as civilization. The history of banking could be said to have started with the appearance of money. The first record of minted metal coins was in Mesopotamia in about 2500B.C. The first European banknotes, which were handwritten appeared in 1661, in Sweden. cheque and printed paper money appeared in the 1700's and 1800's, with many banks created to deal with increasing trade.

The history of banking in each country runs in lines with the development of trade and industry, and with the level of political confidence and stability. The ancient Romans developed an advanced banking system to serve their vast trade network, which extended throughout Europe, Asia and Africa.

Modern banking began in Venice. The word bank comes from the Italian word "**ban co**", meaning bench, because moneylenders worked on benches in market places. The bank of Venice was established in 1171 to help the government raise finance for a war.

At the same time, in England merchants started to ask goldsmiths to hold gold and silver in their safes in return for a fee. Receipts given to the Merchant were sometimes used to buy or sell, with the metal itself staying under lock and key. The goldsmith realized that they could lend out some of the gold and silver that they had and charge interest, as not all of the merchants would ask for the gold and silver back at the same time. Eventually, instead of charging the merchants, the goldsmiths paid them to deposit their gold and silver.

The Bank of England was formed in 1694 to borrow money from the public for the government to finance the war of Augsburg against France. By 1709, goldsmiths were using bank of England notes of their own receipts.

New technology transformed the banking industry in the 1900's round the world, banks merged into larger and fewer groups and expanded into other countries.

BANKING STRUCTURE IN INDIA

In today's dynamic world banks are inevitable for the development of a country. Banks play a pivotal role in enhancing each and every sector. They have helped bring a draw of development on the world's horizon and developing countries like India are no exception.

Banks fulfill the role of a financial intermediary. This means that it acts as a vehicle for moving finance from those who have surplus money to (however temporarily) those who have a deficit. In everyday branch terms the banks channel funds from depositors whose accounts are in credit to borrowers who are in debit.

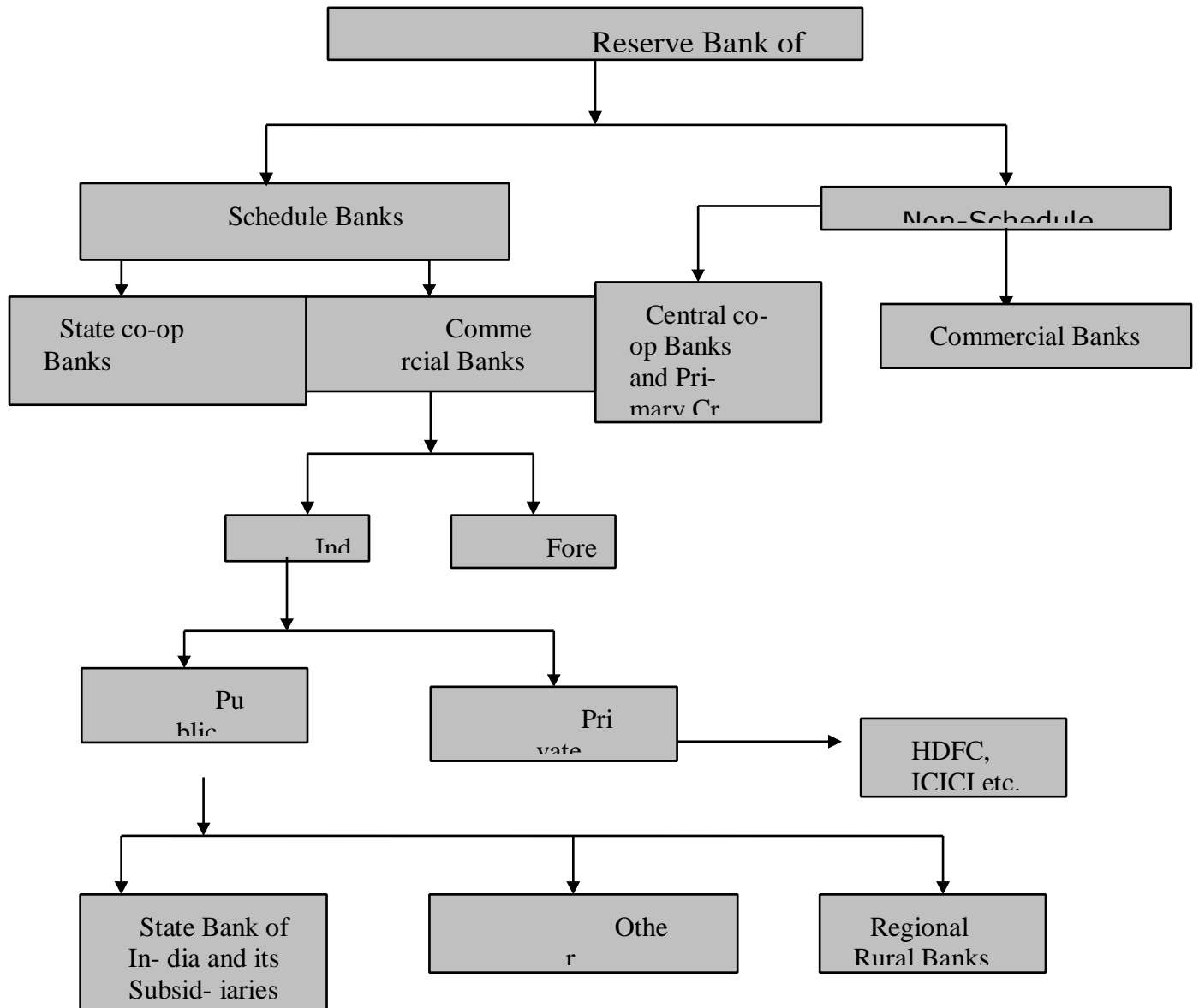
Without the intermediary of the banks both their depositors and their borrowers would have to contact each other directly. This can and does happen of course. This is what has led to the very foundation of financial institutions like banks.

Before a few decades there existed some influential people who used to lend money. But a substantially high rate of interest was charged which made borrowing of money out of the reach of the majority of the people so there arose a need for a financial intermediate.

The Bank has developed their roles to such an extent that a direct contact between the depositors and borrowers is now known as disintermediation.

Banking industry has always revolved around the traditional function of taking deposits, money transfer and making advances. Those three are closely related to each other, the objective being to lend money, which is the profitable activity of the three. Taking deposits generates funds for lending and money transfer services are necessary for the attention of deposits. The Bank have introduced progressively more sophisticated versions of these services and have diversified innumerable areas of activity not directly relating to this traditional trinity

INDIAN BANKING SYSTEM



INDIAN BANKING INDUSTRY ANALYSIS:

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

From licensing to integration with Global Economics, the changes have been swift. Almost all the sectors operating in the economy were affected and the banking sector is no exception to this. Thus the whole of the banking system in the country has undergone a radical change. Let us see how banking has evolved in the past 57 years of independence.

After independence in 1947 and proclamation in 1950 the country set about drawing its road map for the future public ownership of banks was seen as inevitable and SBI was created in 1955 to spearhead the expansion of banking into rural India and speed up the process of magnetization.

Political compulsions brought about nationalization of banks in 1969 and lobbying by bank employees and their unions added to the list of nationalized banks a few years later.

Slowly the unions grew in strength, while bank management stagnated. The casualty to the customer service declined, complaints increased and bank management was unable to stem the rot.

In the meantime, technology was becoming a global phenomenon lacking a vision of the future and the banks erred badly in opposing the technology upgrade of banks. They mistakenly believed the technology would lead to retrenchment and eventually the marginalization of unions.

The problem faced by the banking industry soon surfaced in their balance sheets. But the prevailing accounting practices enables banks to dodge the issue.

The rules of the game under which banks operated changed in 1993. Norms for income Recognition, Assets classification and loan loss provisioning were put in place and capital adequacy ratio became 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 banks is no longer sustainable.

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

MAJOR PLAYER IN INDIA

1. HDFC BANK LTD
2. ICICI BANK LTD
3. STATE BANK OF INDIA LTD
4. PUNJAB NATIONAL BANK LTD
5. BANK OF BARODA LTD
6. FEDERAL BANK LTD
7. AXIS BANK LTD
8. ING VYSYA BANK LTD
9. IDBI BANK LTD
10. INDUSIND BANK LTD
11. YES BANK LTD

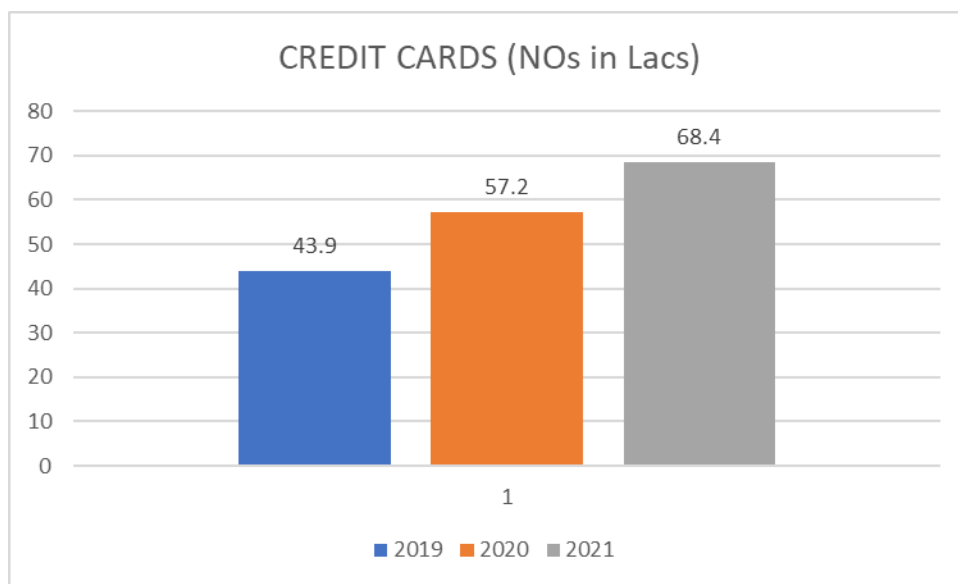
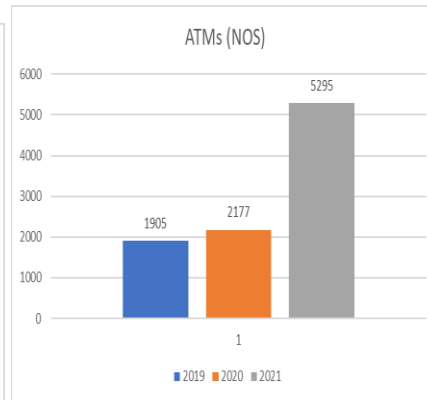
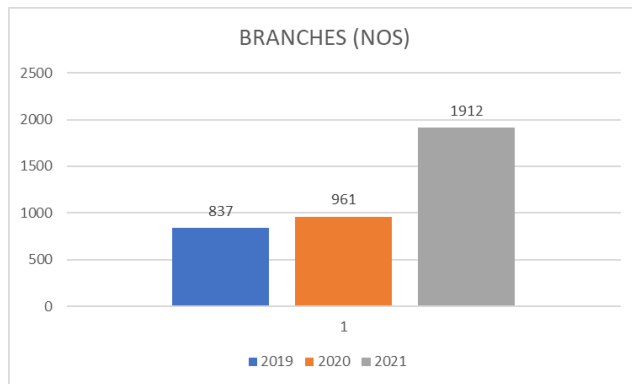
INTRODUCTION

INTRODUCTION

The Housing Development Finance Corporation 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 the 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. 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 operations 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, 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 service excellence would help us get there. Today, we are proud to say that we are well on our way towards 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 1412 branches and 3295 automated teller machines (ATMs) in 528 cities and total employees 52687.



Snapshot

Company Background

| | |
|---|-----------------------------------|
| Industry | Finance - Banks - Private Sector. |
| Business Group | HDFC Group |
| Incorporation Date | 31/12/1994 |
| Public Issue Date | 31/12/1995 |
| Face Value | 10.0000 |
| Company/Business Registration No | INE040A01018 |
| Key Officials CEO | Aditya puri |

HISTORY OF HDFC BANK

HDFC BANK LTD 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.

If ever there was a man with a mission it was **Hasmukhbhai Parekh, Founder and Chairman-Emeritus, of HDFC Group. HDFC BANK LTD** was amongst the first to set up a bank in the private sector. The bank was incorporated on 30th August 1994 in the name of 'HDFC Bank Limited', with its registered office in Mumbai. It commenced operations as a Scheduled Commercial Bank on 16th January 1995. The bank has grown consistently and is now amongst the leading players in the industry

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 operations to remain the market leader in mortgages. Its outstanding loan portfolio covers well over a million dwelling units.

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MISSION

- I. World Class Indian Bank
- II. Benchmarking against international standards.
- III. To build sound customer franchises across distinct businesses
- IV. Best practices in terms of product offerings, technology, service levels, risk management and audit & compliance

VISION STATEMENT OF HDFC BANK

HDFC Bank is committed to maintain the highest level of ethical standards, professional integrity and regulatory compliance. HDFC Bank's business philosophy is based on four core values such as:-

1. Operational excellence.
2. Customer Focus.
3. Product leadership.
4. People.

The objective of the HDFC Bank is to provide its target market customers a full range of financial products and banking services, giving the customer a one-step window for all his/her requirements. The HDFC Bank plus and the investment advisory services programs have been designed keeping in mind the needs of customers who seek distinct financial solutions, information and advice on various investment avenues.

BUSINESS STRATEGY

- I. Increasing market share in India's expanding banking
- II. Delivering high quality customer service
- III. Maintaining current high standards for asset quality through disciplined credit risk management
- IV. Develop innovative products and services that attract targeted customers and address inefficiencies in the Indian financial sector.

BOARD OF DIRECTORS

| PERSON | DESIGNATION |
|-----------------------|--------------------|
| Mr. Jagdish Capoor | Vice President |
| Mr. Aditya Puri | Managing Director |
| Mr. Paresh Sukthankar | Executive Director |
| Mr. Harish Engineer | Executive Director |
| Mr. Keki M. Mistry | Director |
| Mr. Ashim Samanta | Director |
| Mr. Arvind Pande | Director |
| Mrs. Renu Karnad | Director |
| Mr. C M Vasudev | Director |
| Mr. Gautam Divan | Director |
| Dr. Pandit Palande | Director |

TOP MANAGEMENT

| | |
|--------------------|---|
| Abhay Aima | Equities & Private Banking and NRI Business |
| Anil Jaggia | Information Technology and Legal |
| Ashish Parthasarth | Treasury |
| Bharat Shah | Merchant Services |
| G Subramanian | Audit & Compliance |
| Kaizad Maneck | Credit & Market Risk |
| Mandeep Maitra | H.R, Admin & Infrastructure |
| Navin Puri | Branch Banking |
| Pralay Mondal | Assets & CREDIT CARDS |
| Rahul N Bhagat | Retail Liabilities, Marketing & Direct Banking Channels |
| Ananthanarayan | Operations |
| Sashi Jagdishan | Finance |
| Sudhir Joshi | Treasury |

BUSINESS HEADS

| | |
|--------------------|--|
| A Asokan | Emerging Enterprise Group |
| Amit Kumar | Retail Branch Banking-West 1 |
| Anil Nath | Business Banking - Working Capital & Retail Agri |
| Arup Rakshit | Treasury |
| Ashima Khanna Bhat | Emerging Corporate Group |
| Ashok Khanna | Retail Assets - TW |
| Bhavesh Chandulal | Wholesale Operations |
| Biju Pillai | Retail Assets - EL,PL,LAS & GOLD |
| Birendra Sahu | retail Operations |
| Deepak Maheshwari | Credit and Market Risk |
| Gsv Surya Prasad | Information Technology |
| Harpreet Singh | NRI Business |
| Jimmy M Tata | Corporate Banking |
| Munish Mittal | Information Technology |
| Nandkishor Laxman | Financial Institution Group |
| Nitin Subramanya | Equities and Private Banking |
| Parag Rao | Credit Cards |
| Rajender Sehgal | Financial Institution Group |
| Rohit Gaurav | Marketing |
| Sanjay B Dongre | Legal |
| Sanjeev Patel | Direct Banking Channel |
| Tarini Vaidya | Treasury |

AWARDS

YEAR-2009

| | |
|---|--|
| EUROMONEY AWARDS 2009 | 'BEST BANK IN INDIA' |
| Economic Times Brand Equity & Nielsen Research annual survey 2009 | Most Trusted Brand - Runner Up |
| Asia Money 2009 Awards | 'Best Domestic Bank in India' |
| IBA Banking Technology Awards 2009 | 'Best IT Governance Award - Runner up' |
| Global Finance Award | 'Best Trade Finance Bank in India for 2009' |
| IDRBT Banking Technology Excellence Award 2008 | 'Best IT Governance and Value Delivery' |
| Asian Banker Excellence in Retail Financial Services | 'Asian Banker Best Retail Bank in India Award 2009' |

YEAR-2008

| | |
|--|--|
| FINANCE ASIA COUNTRY AWARDS FOR ACHIEVEMENT 2008 | 'BEST BANK AND BEST CASH MANAGEMENT BANK' |
| CNN-IBN | 'Indian of the Year (Business)' |
| Nasscom IT User Award 2008 | 'Best IT Adoption in the Banking Sector' |
| Business India | 'Best Bank 2008' |
| Forbes Asia | Fab 50 companies in Asia Pacific |
| Asian Banker Excellence in Retail Financial Services | Best Retail Bank 2008 |
| Asiamoney | Best local Cash Management Bank Award voted by Corporates |
| Microsoft & Indian Express Group | Security Strategist Award 2008 |

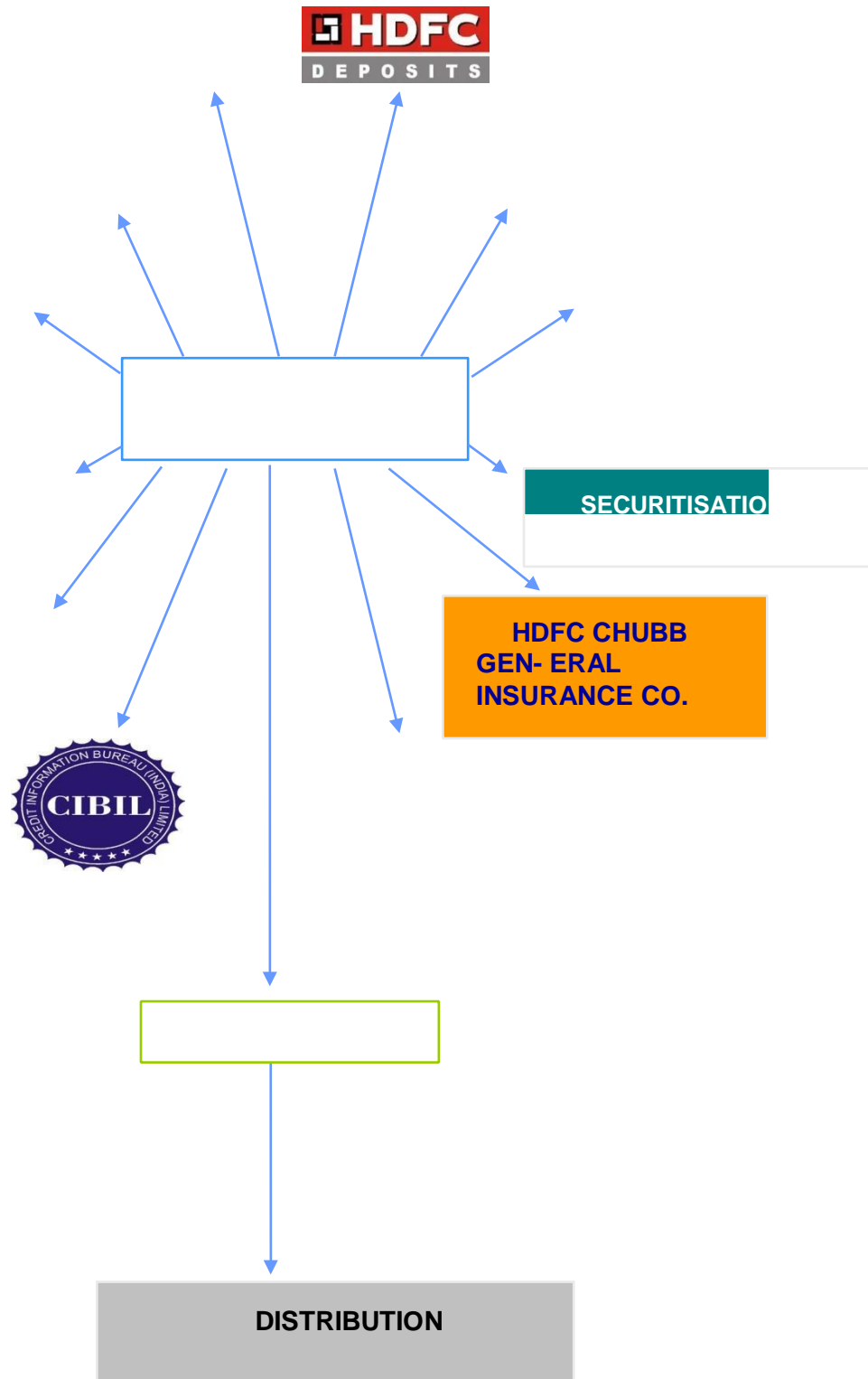
| | |
|------------------------------------|--|
| World Trade Center Award of honour | For outstanding contribution to international trade services. |
|------------------------------------|--|

| | |
|--|---|
| Business Today | One of India's "Most Innovative Companies" |
| Financial Express- Ernst & Young Award | Best Bank Award in the Private Sector category |
| Global HR Excellence Awards - Asia Pacific HRM | 'Employer Brand of the Year 2007 -2008' Award - First Runner up, & many more |
| Business Today | 'Best Bank' Award |

YEAR-2007

| | |
|--|--|
| DUN & BRAD-STREET – AMERICAN EXPRESS CORPORATE BEST BANK AWARD 2007 | 'CORPORATE BEST BANK' AWARD |
| The Bombay Stock Exchange and Nasscom Foundation's Business for Social Responsibility Awards | 'Best Corporate Social Responsibility Practice' Award |
| NDTV Profit | Best Bank Award in the Private sector category. |
| The Asian Banker Excellence in Retail Financial Services | Best Retail Bank in India |
| Asian Banker | Our Managing Director Aditya Puri wins the Leadership Achievement Award for India |

INTEGRATED FINANCIAL SERVICES



BUSINESS SEGMENT

HDFC Bank offers a wide range of commercial and transactional banking services and treasury products to wholesale and retail customers. The bank has three key business segments:

Wholesale Banking Services:

The Bank's target market ranges from large, blue-chip manufacturing companies in the Indian corporate to small & mid-sized corporate and agri-based businesses. For these customers, the Bank provides a wide range of commercial and transactional banking services, including working capital finance, trade services, transactional services, cash management, etc. The bank is also a leading provider of structured solutions, which combine cash management services with vendor and distributor finance for facilitating superior supply chain management for its corporate customers. Based on its superior product delivery / service levels and strong customer orientation, the Bank has made significant inroads into the banking consortia of a number of leading Indian corporations including multinationals, companies from the domestic business houses and prime public sector companies. It is recognized as a leading provider of cash management and transactional banking solutions to corporate customers, mutual funds, stock exchange members and banks.

Retail Banking Services :

The objective of the Retail Bank is to provide its target market customers a full range of financial products and banking services, giving the customer a one-stop window for all his/her banking requirements. The products are backed by world-class service and delivered to the customers through the growing branch network, as well as through alternative delivery channels like ATMs, Phone Banking, Net Banking and Mobile Banking.

The HDFC Bank Preferred program for high net worth individuals, the HDFC Bank Plus and the Investment Advisory Services programs have been designed keeping in mind needs of customers who seek distinct financial solutions, information and advice on various investment

avenues. The Bank also has a wide array of retail loan products including Auto Loans, Loans against marketable securities, Personal Loans and Loans for Two-wheelers. It is also a leading provider of Depository Participant (DP) services for retail customers, providing customers the facility to hold their investments in electronic form.

HDFC Bank was the first bank in India to launch an International Debit Card in association with VISA (VISA Electron) and issues the Master card Maestro debit card as well. The Bank launched its credit card business in late 2001. By September 30, 2005, the bank had a total card base (debit and credit cards) of 5.2 million cards. The Bank is also one of the leading players in the "merchant acquiring" business with over 50,000 Point-of-sale (POS) terminals for debit / credit cards acceptance at merchant establishments.

Treasury:

Within this business, the bank has three main product areas - Foreign Exchange and Derivatives, Local Currency Money Market & Debt Securities, and Equities. With the liberalization of the financial markets in India, corporations need more sophisticated risk management information, advice and product structures. These and fine pricing on various treasury products are provided through the bank's Treasury team. To comply with statutory reserve requirements, the bank is required to hold 25% of its deposits in government securities. The Treasury business is responsible for managing the returns and market risk on this investment portfolio.

PRODUCT OF
HDFC BANK

PRODUCT OF HDFC BANK

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 Savings account or run your own business and require a robust banking partner, HDFC Bank not only has the perfect solution for you, but also can recommend products that can augment your planning for the future.

It includes these services: -

Saving accounts.

Current accounts.

Fix deposits.

Demate account.

Safe deposit lockers.

Savings Accounts

These accounts are primarily meant to inculcate a sense of saving for the future, accumulating funds over a period of time. Whatever the person's occupation, banks have confidence that person will find the perfect banking solution. There some saving accounts like: -

Regular Saving Account:

An easy-to-operate savings account that allows you to issue cheques, draw Demand Drafts and withdraw cash. Check up on your balances from the comfort of your home or office through Net Banking, Phone Banking and Mobile Banking. If you need money urgently then you can take money from the ATM machine. There are 1977 ATM centers across the country.

Saving plus Account

Introducing the best banking option for you with HDFC Bank Savings plus Account. Now you can get access to some of the finest banking facilities with HDFC Bank's Savings plus Account. All you have to do is maintain an Average Quarterly Balance of Rs. 10,000/-.

Saving Max Account

Welcome to a world of convenience. Presenting Savings Max account, loaded with maximum benefits to make your banking experience a pleasure. By maintaining an average quarterly balance of just Rs. 25,000/- you get a host of premium services from HDFC Bank absolutely free.

Senior Citizen Account

HDFC Bank appreciates your needs and endeavors, which is why, they present an account especially dedicated to customers, which like a dutiful child will help you fulfill your needs in the best manner possible.

No frills Account

In an effort to make banking simpler and more accessible for customers, the bank has introduced the 'No Frills' Savings Account, which offers customers all the basic banking facilities. Customers can even avail of services like Net Banking, Mobile banking free of cost. In this customer can put Zero Initial Pay-in and a Zero Balance account

Institutional saving accounts

A specially designed account that offers twin benefits of a savings as well as a current account. Customer's funds continue to earn you interest while he enjoys hassle-free banking & a host of other features. All this and more in a Zero Balance account.

Salary Accounts

In this account customer can get salary from where he/she doing such job and organization or company at where the customer of the bank in doing job deposit their salary in to the salary account a person can get salary.

There are various kinds of savings accounts in HDFC Bank like: -

Payroll account.

Classic salary account.

Regular salary account.

Premium salary account.

Defense salary account.

No frills salary account.

Reimbursement salary account.

Kids advantage account

Start saving for your child today and secure his/her future according to a sentence told by the Hdfc bank. Open a Savings Account and transfer money every month into the customer's Kids Advantage Account and watch the savings grow as the customer's child grows. The accumulated savings in the Kids Advantage Account can over the years help in meeting customer child's needs.

Main features and benefits of this account are as follow:-

Current accounts

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 outstation cheques (payable at branch locations), free account to account funds transfer between HDFC Bank accounts to Free intercity clearing of up to 100 lakhs per month, bank's priority services have become the benchmark for banking efficiency.

Now, with an 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 our 761 branches in 327 cities. Not only that, he can do most of his banking transactions from the comfort of his office or home without stepping out.

There are various kinds of current account in this bank like: -

Plus current account

HDFC Bank plus Current Account gives the power of inter-city banking with a single account and access to more than cities. Plus Current Account requires maintaining an average quarterly balance of Rs. 100,000.

Trade current account

In today's changing business requirements, you need to transfer funds across cities, and time is of the essence. HDFC Bank Trade Current Account gives power of intercity banking with a single account.

From special cheques that get treated at par with local ones in any city where bank have a branch, to free account to account funds transfer between HDFC Bank accounts, to free intercity clearing of up to 50 lakhs per month, bank's priority services have become the benchmark for

banking efficiency. Trade Current Account requires maintaining an average quarterly balance of Rs. 40,000.

Premium current account

Business needs a partner who can manage finances while concentrating on growing business. From this account customers can avail benefits of inter-city banking account that requires an average quarterly balance of only Rs. 25,000, offers Payable-At-Par cheque book facility & FREE inter-city clearing transactions across our network up to Rs.25 Lacs per month.

A Current Account with the benefits of accessing accounts from a large network of branches, and through direct access channels - the phone, mobile, Internet and through the ATM.

Regular current account

A Current account is ideal for carrying out day-to-day business transactions. With the HDFC Bank Regular Current Account, customers can access accounts anytime, anywhere, pay using payable at par cheques or deposit cheque at any HDFC bank branch. It also facilitates FREE NEFT transactions & FREE RTGS collections for faster collections in account. Regular Current Account required to maintain an average quarterly balance of only Rs. 10,000.

With a vast network of branches in cities all over the country, and access to a multitude of ATM's, customers can keep track of all transactions anytime.

Reimbursement Current Account

No more paperwork, no more receipts to keep track of - a hassle-free account that allows deposit of the reimbursements received from the company/organization on a monthly basis.

To open this account a person has to follow these processes:

Procure an Account Opening Document (AOD) from HDFC Bank. (If a person has just joined, first request to the company to open up a Salary Account for a particular person).

Mention Salary Account number and Debit Card number on the AOD so that Debit card can be linked to both, Salary Account as well as new Reimbursement Account.

Request company to directly credit cash payments to the Reimbursement Account.

RFC – Domestic Account

Full name of this account is Resident foreign currency account.

Have you accumulated foreign currency from traveling abroad frequently? Received gifts from relatives in foreign currency? Or earned it by any other means as approved by the Reserve Bank of India?

If so, open a Resident Foreign Currency Domestic Account and manage foreign currency efficiently. Person can choose to set up an account either in US Dollar, Great Britain Pound or Euro.

To open this accounts a person as to follow this process: -

Choose the currency in which a person wish to operate. Open account with an initial amount as per the following-US Dollar = 250 Great Britain Pound = 200 Euro = 250 and maintain an Average Quarterly Balance of the same amount.

Flexi current account

Tired of static transaction limits during peak seasons? HDFC Bank Flexi Current Account is the answer to changing banking needs during peak seasons.

HDFC Bank Flexi Current Account Cash Deposit and Anywhere Transaction limits are a multiple of the balance you maintain in Current Account. So, during peak seasons, customers get the benefit of higher transaction limits due to the higher average balances maintained in account.

What's more, during lean seasons, people need not worry about maintaining huge balances to enjoy high transaction limits, which a person anyway may not need. Flexi Current Account re-

quires to maintain a minimum Average Monthly Balance (AMB) of just Rs. 75,000.

Apex current account

The top position is always the desirable position. With the Apex current account, take business to a new high. On maintaining an average quarterly balance of Rs. 10 lakhs, this account makes sure a person makes the most of every business opportunity coming his way. Unlimited, free, anywhere Banking experience at the APEX is reserved for a person who joins this.

Max current account

Maximum benefits and minimum hassles for customers with Max Current Account with a Rs. 5 lakhs average quarterly balance requirement, bank present to the world of privileges that helps business expand and grow. Features like maximum free transaction limits including other beneficial features on this current account truly enhances business potential to the Maximum. Fix deposits service

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

People can invest his/her money either in the security market or gold or mutual fund or into fixed deposits. People always go to that way where he/she can get more benefits and minimum risks. So, for this purpose he has a better chance to deposit 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 you withdraw part of the FD in times of need. Flexibility, Security and High Returns all bundled into one offering.

Regular fix deposit

As per the rules and regulation 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 fix deposit

In 2006, it was announced for the first time that Bank fixed deposits booked by an Individual/HUF for 5 years & up to Rs. 1,00,000/- will be allowed exemption under Sec 80C of the Income Tax Act,1961 subject to necessary declarations taken from the Customer.

Super saver facility Customers can enjoy a high rate of interest along with the liquidity of a Savings Account by opt- ing 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 or 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 a savings account. Link Fixed Deposit to Savings or Current Account and use it to fall back on in case of emergencies. A deficit in Savings or Current Account is taken care of by using up an exact value from Fixed Deposit. Since deposits are broken down in units of Re 1/-, customers will lose interest only for the actual amount that has been withdrawn.

Demat account service

Nowadays the 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 a Depository participant both with -National Securities Depositories Limited (NSDL) and Central Depository Services Limited (CDSL). Safe deposit locker

A Safe Deposit Locker with HDFC Bank is the solution to a person's fear. Located at select branches in cities all over the country, bank's lockers ensure the safekeeping of valuables.

Eligibility

An individual (not minor), firms, limited company, associations, clubs, trusts, societies, etc may hire a locker.

Advantages of safe deposit locker in HDFC bank

Wide Availability.

Lockers 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 center 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 hirers of Safe Deposit Locker.

In the case of a sole hirer of a safe deposit locker, nomination can be made in favor 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.

Terms & Conditions

For obtaining a Locker at HDFC Bank you must be an account holder with the Bank. Lockers can be allotted individually as well as jointly.

The Locker holder is permitted to add or delete names from the list of persons who can operate the

Locker 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 everything happens only with the help of money or through the money every person needs. But sometimes a person has no cash on hand at that time he needs one either from any friend or from any financial institute. Lone does not mean that only lower class people need it but also upper class people need it.

As per the requirement of every person there are many types of loans are there in the HDFC bank.

Personal loan

A person has so many dreams but sometimes due to scarcity of money a dream can't be satisfied. So, here is one solution for that person: a personal loan. From this he/she can fulfill their needs or requirements. It can be anything either a dream of vacation or son/daughter's admission to college or any wedding, so a personal loan can be helpful in this entire requirement.

As a person ordered in the hotel for tea or coffee and it immediately came fast, same over here any person wants to get a personal loan with the nominal documents he can get the loan.

Home loan

HDFC Bank brings HDFC home loans to doorstep. With over 30 years of experience, a dedicated team of experts and a complete package to meet all housing finance needs, HDFC Home Loans, help people realize their dream.

Vehicles loan

Nowadays 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 fixed time there are so many requirements of vehicles. But everyone has no capacity to purchase vehicles with cash so for that here in the HDFC bank vehicles loan is available. There are many types of vehicle loan.

Types of vehicles loan:

Two wheeler loans.

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 available that are at the chip rate and hassle free from more documentation and other procedures. And commercial businessman can get the benefits of the commercial vehicles loans. Thus as per the needs of different people there are vehicle loans available. And also terms and conditions are different as per the requirement.

Express loan plus

Banks offer Express Loans Plus at person Doorstep to help fulfill all his/her needs. The procedure is simple, documentation is minimal and approval is quick. It is helpful to people in repairing of house, School admission or also during family holidays.

Gold loan

With HDFC Bank's Gold Loan, a person can get an instant loan against gold jewelry 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 jewelry and ornaments. There is also availability of the overdraft on the gold jewelry. With this a customer can get free additional services like free personalized cheque book, free international debit card, and free net banking phone banking services.

Educational loan

Nowadays the importance of education is becoming very high. As it is important, becoming high is becoming costly. So in higher education sometimes people can not afford a high price at the same time. So, an education loan is also available for the student.

A person can get a loan of up to 10 lakhs to study in India and 20 lakhs if he wants to study abroad. Loan available up to tenure of 7 years including moratorium period.

Loans disbursed directly to the educational institution. It is released as per fee schedules of institutes. Exclusive Telegraphic Transfer facility available for courses abroad. Loans available for short duration/ job oriented courses also.

Loan against security

With HDFC Bank's Loan against Securities, person can get an overdraft against securities like Equity Shares, Mutual Fund Units(Equity, Debt, FMPs), Gold Exchange Traded Fund(ETF),NABARD's Bhavishya Nirman 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 his shareholder benefits such as rights, dividends and bonuses Loan available to 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 now take a loan against residential or commercial property, to expand his business, plan a dream wedding, and fund his child's education and much more. He can depend on the bank to meet all his business requirements even to purchase a new shop or office for business. Loan to purchase Commercial Property (LCP) is a specially designed product to help a person expand his business without reducing the capital from his business.

These are loan services provided 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.

CARD SERVICES

In today's competitive and fast time card services provided by the banks are really very important to every person and every business needs or to take meals into the hotel or to purchase jewelry from the jewelry shops cards are playing a good role in the banking sectors.

Bank ranges of Cards help to meet financial objectives. So whether people are looking to add to his buying power, conduct cashless shopping, or budgeting his expenditure, he will find a card that suits him.

Credit cards

A person wants many things like a trip to Bali, a diamond ring for wife's dreams. Some dreams can't wait. If there's something a person has always wanted. If a person wants to fulfill his wants he can get benefits from the HDFC bank's credit cards facilities. different types of credit

Classic cards

Silver Credit Card.

Value plus Credit Card.

Health Plus Credit Card.

Premium Cards:

Gold Credit Card

Titanium Credit Card

Woman's Gold Card

Platinum Plus Credit Card

Visa Signature Credit Card

World MasterCard

Commercial Cards

Corporate Credit Card

Debit card

HDFC Bank Debit Cards give a person complete and instant access to the money in his accounts without the risk or hassle of carrying cash.

Types of debit card: -

Classic card

Easy shop international Debit card.

Premium card

Easy shop gold Debit card.

Specialized card

Easy Shop International Business Debit Card.

Easy Shop Woman's Advantage Debit Card.

Easy Shop NRO Debit Card.

Kisan Card.

Prepaid card

Besides offering convenience, Prepaid Cards have been tailored to answer travel and gifting needs.

ForexPlus Cards

Prepaid Travel Card.

Gift Plus Cards

Prepaid Gift Card.

Food Plus Cards

Prepaid Food Plus card.

Money Plus Card

The Corporate Payment card

INVESTMENT AND INSURANCE SERVICE

Nowadays a ward investment is becoming more popular. Person invest their money in to various schemes or in to the gold or share market etc. but some time he is into the difficult situation, for that bank help person invest wisely through financial and investment services.

Types of investment: -

Mutual Funds

Invest through the Mutual Fund route to meet varied investment objectives.

Insurance

| Traditional Plans | Unit Linked Plans |
|---|---|
| HDFC children's PLAN. | HDFC Unit Linked Young Star Plus II. |
| HDFC Money Back Plan. | HDFC Unit Linked Young Star Suvidha. |
| HDFC Savings Assurance Plan. | HDFC Unit Linked Young Star Suvidha Plu |
| HDFC Assurance Plan. | HDFC Unit Linked Pension. |
| HDFC Term Assurance Plan. | HDFC Unit Linked Pension Plus. |
| HDFC Loan Cover Term Assurance Plan. | HDFC Unit Linked Endowment Plus II. |
| HDFC Endowment Assurance Plan. | HDFC Unit Linked Endowment Suvidha. |
| HDFC Single Premium Whole of Life Insurance | HDFC Unit Linked Endowment Suvidha |
| | HDFC Unit Linked Enhanced Life Protection |

GENERAL AND HEALTH INSURANCE

Complete protection for business, health, travel & more.

Bonds

A secure investment avenue giving stable returns with tax benefits.

Financial Planning

Start Now Plan investments to meet financial goals

Knowledge Center

Profit from research and make informed investment decisions.

Equities & Derivatives

Leverage bank's vast information repository and transact online.

Mudra Gold Bar

Buy 24 Karat gold bars made in Switzerland and certified by Assay.

FOREX AND TRADE SERVICE

Nowadays businesses becoming worldwide e.g. India to America but the main problems are monetary transactions because in every country the currency changes so for that banks are playing a very important role for the businesses.

If people need to deal in foreign currency and keep tabs on exchange rates every now and then, transfer money to India, make payments etc., HDFC Bank has a range of products and services that people can choose from to transact smoothly, efficiently and in a timely manner.

Bank offering following Foreign Exchange Products and Services.

Foreign Exchange and Trade Services

The following are different methods of transacting in Foreign Exchange and remitting money.

Travelers Cheques.

Foreign Currency Cash.

Foreign Currency Drafts.

Cheque Deposits.

Remittances.

Cash to Master.

Trade Services.

Forex Services Branch Locator.

Important guidelines and schedules All Foreign Exchange transactions are conducted by strictly adhering to RBI guidelines. Depending on the nature of transaction or point of travel, people will need to understand his Foreign Exchange limits.

RBI Guidelines.

Forex Limits.

Non HDFC Bank Account Holders.

FAQs

PAYMENT SERVICE

Nowadays the life of a person becomes very stressful and he/she becomes busy with their own business, but they have to pay for something so for that reason bank's payment services become started. With HDFC Bank's payment services, people can bid goodbye to queues and paperwork. Bank's range of payment options make it easy to pay for a variety of utilities and services.

Verified By Visa

Do you want to be worry free for your online purchases? Now you can shop securely online with your existing Visa Debit/Credit card.

Net Safe

Now shop online without revealing your HDFC Bank Credit Card number. What more, you can now use your HDFC Bank Debit Card also for online purchases.

Merchant Services

Accept all Visa, MasterCard, credit and Debit cards at your outlets through state of the art POS Machines or through your website and experience hassle free payment acceptance.

Prepaid Mobile Refill

If you are an HDFC Bank Account holder, you can now recharge your Prepaid Mobile Phone with this service.

Bill Pay

Pay your telephone, electricity and mobile phone bills at your convenience. Through the Internet, ATMs, your mobile phone and telephone - with Bill Pay, our comprehensive bill payments solution.

Visa Bill Pay

Pay your utility bills from the comfort of your home! Pay using your HDFC Bank Visa credit card and forget long queue and late payments forever

Pay Now

Use your HDFC Bank Credit Card to pay your utility bills online, make subscriptions and donations; no registration required. Enjoy credit free period and reward points as per your credit card features.

Insta Pay

Pay your bills, make donations and subscribe to magazines without going through the hassles of any registration.

Direct Pay

Shop or Pay bills online without cash or card. Debit your account directly with our Direct Pay service!

Visa Money Transfer

Transfer funds to any Visa Card (debit or credit) within India at your own convenience through HDFC Bank's Net Banking facility.

e-Monies National Electronic Funds Transfer

Transfer funds from your account to other Bank accounts across India - FREE of cost.

Online Payment of Excise & Service Tax

Make your Excise and Service Tax payments at your own convenience through HDFC Bank's Net Banking facility.

Religious Offerings

Now donate to your favorite temple easily and securely using HDFC BANK's Net Banking.

IMPERIA/PREFERRED/CLASSIC BANKING

As a special customer bank providing a TAJ to customers with the name imperial/preferred customer. For that bank provides a special service to their customers. HDFC Bank's preferred/imperial Pro- gramme is the royal decree that enhances the exclusivity that you are accustomed to. It makes you feel special at every step, pampering with services that others can only dream about. This service goes beyond the obvious, rises above the expected, so that the whole world can see that even today, the grandeur and magnificence of royalty is alive and well.

Thus as a retail banking service bank providing really good and beneficial services to their customer and as family members they are providing good services to every customer whether they are business related or anything. So for this reason HDFC bank plays a good role in the customer's life for their monetary transaction.

NRI BANKING

With a view to attract the savings and other remittance into India through banking channels from the person of Indian Nationality / Origin who are residing abroad and bolster the balance of payment position, the Government of India introduced in 1970 Non-Resident(External) Account Rules which are governed by the Exchange Control Regulations.

The funds held in Non-Resident (External) Accounts (NRE Accounts) qualify for certain benefits like exemptions from taxes in India, free repatriations facilities, etc.

Deposit types

NRI-Banking facilitates the NRI customer to open the following account types.

NRE (Non Resident External Accounts)

It can be in the form of Savings, Current or fixed deposits in Indian rupees. The funds in this account are fully repatriable.

NRO (Non Resident Ordinary Accounts)

It can be in the form of Savings, Current or Fixed Deposits in Indian Rupees. The funds in this account are not repatriable (only interest accrued is repatriable).

FCNR (Foreign Currency Non Resident Accounts)

It can be in the form of fixed Deposits only, in the five major currencies, namely US Dollars, GBP, DM, Euro, and Japanese Yen. The funds in this account are fully repatriable.

WHOLESALE BANKING

Wholesale banking is the provision of services by banks to the likes of large corporate clients, mid-sized companies, real estate developers and investors, international trade finance businesses and institutional customers, such as pension funds and government entities/agencies. Also included is banking services offered to other financial institutions. In essence, wholesale banking services usually involve high value transactions. Wholesale banking compares with retail banking, which is the provision of banking services to individuals.

Wholesale banking services

Corporate service

Corporate Banking reflects HDFC Bank's strengths in providing our corporate clients in India, a wide array of commercial, transactional and electronic banking products. We achieve this through innovative product development and a well-integrated approach to relationship management.

Large Corporate

Supply Chain Partners

Agricultural Lending

Small & medium term enterprises

HDFC Bank understands how much hard work goes into establishing a successful SME. Bank also understands that business is anything but "small" and as demanding as ever. And as business expands and enters new territories and markets, people need to keep pace with the growing requests that come in, which may lead to purchasing new, or updating existing plant and equipment, or employing new staff to cope with the demand. That's why HDFC Bank has assembled products, services, resources and expert advice to help ensure that your business excels.

The following links will help identify individual needs.

Funded Services.

Non-Funded Services.

Specialized Services.

Value Added Services.

Internet Banking.

Financial institutions & trusts

Banks.

Financial Institutions.

Mutual Funds.

Stock Brokers.

Insurance Companies.

Commodity Businesses.

Trusts.

Government sector

HDFC Bank acts as an active medium between the government and the customers by means of various services. These services include:

Tax Collection wherein customers can directly pay their taxes like Direct taxes, Indirect taxes and Sales Tax collections at their local HDFC Bank.

E-Ticketing - Helps the customer by providing him direct access to book a Railway Ticket online and get it home delivered.

Opening of L/C's is done by the bank on behalf of the Government of India, Mints and Presses, thus facilitating imports for the Government.

Collection of levies and taxes on behalf of Municipal Corporations i.e. Municipal Corporation, is undertaken by the Bank.

Collection of stamp duty is done via franking mode in the state's of Maharashtra & Gujarat.

HUMAN

RESOURCE

DEPARTMENT

HUMAN RESOURCE DEPARTMENT

“Human Resource Management function that helps managers recruit, select, train and develop members for an organization. Obviously, HRM is concerned with the people’s dimension in organizations.

Work force of an Organization is one of the most important inputs of components. It is said that people are our single most important assets. Because of the unique importance of HUMAN RESOURCE and its complexity due to ever changing psychology, behavior and attitudes of men and women at work, in all business concerns, there is one common element. I.e. Human personnel function, i.e., manpower management function is becoming increasingly specialized. The personnel function or system can be broadly defined as the management of people at work- management of managers and management of workers. Personnel function is particularly interested in personnel relationship and interaction of employees-human relations.

In a sense, management is personnel administration. Management is the development of people, and not mere direction of material resources. Human capital is the greatest asset of a business enterprise. The essential ingredient of management is the leadership and direction of people. Each manager of people has to be his own personnel man. Personnel management is not something you really turn over to personnel department staff.

Responsibilities of the Human Resource Department.

- HRD maintains a daily attendance record through the branch manager via Email.
- Take decisions for approval regarding leave notes.
- He takes the decision related to the recruitment, selection and training of the candidates. He talks to the consultant related to the recruitment of the qualified candidates. He also does screening of the candidates, shortlisted the candidate and takes the first round of the interview.
- He maintains the database of the candidates to come for an interview. He also maintains the personal file of each employee. He also completes the joining formalities of each new employee.
- They are taking surprising visits in every branch and collecting information about employees.
- He is responsible for the monthly salary of the employees as per their attendants and passing to the Branch Manager.

Human Resource planning

This is handled by doing the planning at the beginning of every year. At the end of the year, the Human Resource department from each Branch receives the requirement for the person for the whole year. Then the planning of recruitment and training is done by the training manager and re- cruiting manager which is approved by the Head of HR Department.

Recruitment

Recruitment is a process of searching for prospective candidates for the given job in the industry. As we know it is very important for industrial concerns to have efficient and effective personnel with the right quality and at the right time and at the right place available whenever they are needed. Every organization needs employees time after time because of promotion or retirement

of an employee. For this purpose an organization needs to search for the right candidate. And so it needs to encourage this type of right candidate whenever they require it.

Sources of Recruitment

- Personal data of candidates and data bank maintained by the HR. department
- Campus Recruitment.
- Company's own website.
- Placement consultants.
- Advertisement in the newspapers like Times of India, Gujarat Samachar.
- Employee reference.

Recruitment Process



Selection

- Selection is the process of taking individuals out of the pool of job applicants with requisite qualifications and competence to fill jobs in the organization. It is defined as the process of differentiating between applicants in order to identify and hire those with a greater likelihood of success in a job.
- Selection is based on a probation base, they are taking experienced people for 6 month's probation and for freshers the probation period is 1 year.
- While the selection of the senior level post is taken by head office at Mumbai.

Training and Development

Training aims at increasing the aptitudes, skills and abilities of workers to perform specific jobs. It makes employees more effective and skillful. In the present dynamic world of business training is more important there is an ever present need for training men. So that new and changed techniques may be adopted. A new and changed technique may be taken as an advantage and improvement affected in the old methods.

- Training is a learning experience that seeks relatively permanent change in an individual that will improve his/her ability to perform on the job.
- They provide “on the job” training to their employees in the branch as they select these employees for selling various products of the bank by direct marketing. Whenever they select new candidates for any post, they use to give them on the job work.
- In case of sales persons to distribute their various products, in the beginning the person has to work under the observation of his senior, then they have to go to the market to have their own experience.
- The time for the training program for the candidate depends on the relevant position of his work area. They also provide training related to customer care and communication.

Performance Appraisal

- An organization’s goals can be achieved only when people put in their best efforts. Performance appraisal may be understood as the assessment of an individual’s performance in a systematic way. It is defined as the systematic evaluation of the individual with respect to his/her performance on the job and his/her potential for development.
- To appraise the performance of the employee they have developed a credit system on the basis of the given target to the employee. After appraising the performance of the employee they put the grade of each employee in the following grade criteria.

Employee Remuneration and Incentive Payments

- Remuneration is the compensation an employee receives in return for his/her contribution to the organization. Remuneration occupies an important place in the life of an employee.
- At HDFC, remuneration of an employee comprises – wages and salary, incentives.

- **Wages and Salary**

- Apart from various incentives and benefits, the personnel are compensated only in terms of wages and salaries. A proper compensation in terms of this is necessary for motivation employees for their continuous
- improved performance. For all this, it is required that wages and salaries are provided well by the organization.
- Wages and salary refers to the establishment and implementation of sound policies and practices of employee's compensation. A wage and salary is the remuneration paid for the service of labor in production periodically to an employee. The bank is in the service industry so the salary is given on a monthly basis. They used to hire certain salesman on commission based and they are provided their salaries on commission base. While other permanent staff are being given monthly salaries. As HDFC bank is a reputed bank in the market the pay scales are as per the standard.
- Sales executives (coax) are being given salaries of 6000 to 8000 per month. While a sales officer's salary ranges from 15000 to 18000 per month. HDFC bank is also giving attractive incentives as per the target. The salary of a branch manager is around 35000 per month.

- **Incentive**

In HDFC, employees get incentives on the basis of the target given to each employee and their area of work. They have developed the incentive structure for the employees on the basis of the point system. All the employees get the incentive in the form of a cash reward.

. Employees benefit

The employees of HDFC automatically become HDFC bank salary account Holders with special benefit and privileges and receive instant salary credit. The benefits include international debit card, corporate card with individual liability (CCIL), access to phone banking and internet banking, demat accounts, and host of other services to complement their savings account. Here are some of the features of HDFC Bank's salary account.

Motivation

Motivation is willingness to do something conditioned by this action's ability to satisfy some need. Motivation is given by the responsible person, like branch manager or team manager for better performance in the department.

Disputes and their resolution

Disputes are common in organizations. In practice, disputes mainly relate to the target only because if any employee is not achieving the target he/she will not be eligible for incentive which creates frustration among them.

Every employee is free to talk to the head of the particular department if they have any problem related to the job. Firstly, the problem is solved by the head of the particular department and if the problem is not solved by the head of that department then it is addressed to the HR Manager.

MARKETING

DEPARTMENT

Marketing Management

The activities of a company associated with buying and selling a product or service. It includes advertising, selling and delivering products to people. People who work in marketing departments of companies try to get the attention of target audiences by using slogans, packaging design, celebrity endorsements and general media exposure.

Ajay Kelkar, Head, Marketing, HDFC Bank, said that these initiatives are especially targeted at those consumers who are not aware about the bank's various value added services such as direct banking facilities.

"We are going to demonstrate the advantages of net banking and mobile banking, as these concepts are relatively new to people living in smaller towns and cities," said Kelkar. The bank has also launched another initiative called Business Ki Baten, which is targeted at areas where the bulk of the population comprises small businessmen. Kelkar said that the bank would get experts to talk on a number of issues such as value-add tax and sales tax. Bank can measure the result of a campaign through the sales that they generate and the customers that are added. There is a clear return on investment, which from a functional point of view gives the team a stronger voice. Bank has also been able to reduce their ad spends by about 10-15 per cent and has also reduced the cost of acquisition Bank's focus in future would be to enhance its database marketing initiatives. Bank plan to invest close to Rs 12 crore to create the environment that is required to support customer intelligence that leads to data based marketing.

HDFC has chartered an extensive Customer Lifecycle based marketing campaign calendar for this and the forthcoming fiscal. Fractal, which specializes in predicting the behavior of the customers in the areas of risk and marketing, would be partnering HDFC Bank's marketing team in various initiatives of growing the retail business quickly and cost effectively.

HDFC has been using analytics for taking informed marketing decisions. Fractal will help the bank use information to reach new customers and to build, nurture and maximize lasting customer relationships. Fractal will also help the bank solve the problem of ever-increasing customer acquisition costs and reducing customer loyalty. The marketing programmes would involve acquisition of customers profitably by reducing campaign costs, cross selling various asset and liability products to the existing customers, thereby, leveraging the existing relationships and proactively retaining existing customers. Fractal's analytics-based marketing solutions span which the entire lifecycle of customer relationship right from customer acquisition to customer retention to customer value management, is expected to give HDFC an upper hand in understanding the needs and circumstances of their customers.

Marketing Initiatives Taking By The Bank

HDFC Bank is possibly the only bank in India, and one of the very few in Asia, to have embarked on a data-led marketing analytics campaigns initiative, using marketing automation technology provided by Unica. Unica has been recognised by Gartner as the leading player in this field. Through this tool, we have been able to intelligently use the 4-5 terabytes of customer data available in its warehouse. We have set up a team to conduct marketing campaigns in a scientific manner using customer data, usage patterns, preferences, lifecycle, etc, the bank also conducts event-based marketing

These initiatives also complement our media-based marketing as well as on-the-ground marketing activities, which remain important in the bigger scheme of things. However, the marketing analytics initiative enables us to measure the efficacy of the campaigns, testing every campaign every step of the way, experimenting with creatives, messages, media, etc. There are learnings that can immediately be absorbed and incorporated in the next campaigns, and these campaigns in a way provide us with information about customer choices and preferences that can be used for mass media communication, making those more effective

Media Vehicles Used For Send Message To Reach Target Audience

HDFC Bank has been predominantly using direct mailers, e-mails, and SMS for communicating our message to our target audience as they are the most cost-effective routes of addressing our core target audiences with maximum degree of customization possible

Market Segmentation

Market Segmentation is defined as the process of splitting customers, or potential customers, in a market into different groups, or segments, within which the customers share a similar level of interest in the same or comparable sets of needs satisfied by a distinct marketing proposition; it is also explained as a marketing technique that targets a group of customers with specific characteristics, i.e. a particular group that has its own distinct customer profile and buyer characteristics so that for marketing purposes, it can be targeted separately from other segments of the market.

It is a key ingredient for successful marketing as it simplifies the targeting, positioning and the planning process.

A true Market Segment meets all of the following criteria: it is distinct from other segments (heterogeneity across segments), it is homogenous within the segments (exhibits common attributes), it responds similarly to a market stimulus and it can be reached by a market intervention. Market Segmentation simplifies the firm's product, pricing, promotion and distribution strategies and also facilitates planning and organizing function of management more easily and cost effectively; but it requires a thorough understanding of the customers needs. It is referred as a tool for defining markets and thereby allocating resources; it uses statistical techniques called factor analysis and cluster analysis to combine attitudinal and demographic data to develop segments that are easier to target.

Market Segmentation can be done on the basis of the location (Geographic Segmentation); on the basis of age, income, gender and other measurable factors (Demographic Segmentation); on

the basis of lifestyle, likes, dislikes, taste and preferences (Psychological Segmentation); and according to the history, loyalty and responsiveness (Behavioral Segmentation).

A business must analyze the different needs of the market segments; their internal strengths and weaknesses; external opportunities and threats; and various other factors like the mission, vision, values, beliefs, attitudes, norms and standards of the organization; as well as the competitors strategy, social and cultural factors, economic environment, global perspective, demographic environment, technological and political / legal aspects before deciding their own niche.

Philip Kotler mentioned five criteria for an effective segmentation which states that Segmentation should be: -

1. Measurable: - it should be possible to determine the values of the variable used for the segmentation.

2. Relevant: - it should justify the expected profits and the growth potential.

3. Accessible: - the target customers must be reachable and servable for the organization.

4. Distinguishable: - the target audiences must be diverse and able to show different reactions to different marketing mixes.

5. Feasible: - the firm must have an ability to draw an effective marketing program for its customers.

Market segmentation is an effort to increase a company's precision marketing. A market segment consists of a large identifiable group within a market with similar wants, purchasing power, buying attitudes or buying habits. As **HDFC bank** is a service sector industry they introduce different schemes for different people. Each person is different in nature and each has different criteria for investment like risk factor, return, liquidity, tax benefits etc.

Target Marketing

“Market Specialization is a business term meaning the market segment to which a particular good or service is marketed. It is mainly defined by age, gender, geography, socio-economic grouping, or any other combination of demographics.

It is generally studied and mapped by the organization through list and reports containing demographic information that may have an effect on the marketing of key products / services.

A product focusing on a specific target market contrasts sharply with one, following the market strategy of mass marketing”.

Targeting can be done by the firms by adopting a logical and systematic methodology / steps. Which are as follows: -

STEP 1: - Identify the potential buyers: - Through proper market research and market segmentation (it is the process of pulling apart the entire market as a whole and separating it into manageable disparate units based on various demographic, political, economic and social factors; it can also be customer / product / competition related segmentation).

STEP 2: - Select the target audiences: - The factors that influence Targeting are the Internal and External Environment. Internal environment includes the mission, vision, values and objectives of the firm; whereas; External factors are the social, cultural, economic, global, demographic, natural, task, technological, political and legal environment. Through appropriately compiling the customers profile to decide the 4 P's – Product, Price, Place and Promotion and obtain the demographic, psychological, geographic and behavioral information of the buyer. Targeting is deciding the potential buyers, products to be offered and appropriately positioning each product to the segment.

STEP 3: - Proper positioning of the Product: - After developing an appropriate segmentation

and target strategy; positioning strategy can be worked out effectively. Positioning enables the firm to create a positive image, gain competitive advantage and place the brand in the customers mind to enhance their goodwill and become the most preferred brand.

Positioning can be in the form of product, price, promotion, service, distribution channel, image, people, advertising, publicity, public relation or selling differentiation.

Positioning Strategy

“Positioning is the act of designing the company’s offering and image to occupy a distinctive place in the target market’s mind.

Positioning starts with a product. A piece of merchandise, a service, a company, an institution, or even a person. But positioning is not what you do to a product. Positioning is what you do in the mind of the prospect. That is, you position the product in the mind of the prospect. A company’s differentiating and positioning strategy must change as the product, market, and competitors change over time. Once the company has developed a clear positioning strategy, it must communicate that positioning effectively.

HDFC bank has a positioning strategy of **“Continuing a Tradition of Trust”**. It is an accurate positioning strategy because it signifies a trust with its clients. Here is a special Relationship Manager dedicated towards customer service and satisfaction and giving them guidance about various schemes which helps them to get the right scheme which suits their needs. In this way it continues to maintain a trust with its clients.

FINANCIAL

DEPARTMENT

INTRODUCTION OF FINANCE DEPARTMENT

In this modern era it is very easy to know how important finance is in the business. The current position of the market is totally different from ancient where it was very easy to get finance. But nowadays it is not so, it is a very difficult task to raise funds from the market. As today people are facing a lot of problems and have less confidence in the market so it is difficult to raise funds without proper planning.

For the bank as it is a Financial Institution we can consider finance as the lifeblood of this business. The company should manage to get sufficient finance. The company should keep proper planning for the finance of its own and also of the large no. of depositors who are there with the bank. We can define financial management as a task of acquisition and utilization of funds needed in the business in a manner so that an organization's goal can be achieved. In HDFC Bank, its chief Financial Officer and Treasurer manage the finance. Due to proper policies and separate management the company can have proper operation of finance.

ORGANIZATION OF FINANCIAL ACTIVITIES OF BANK

For the bank finance itself is the product now it is not an easy task to manage this finance. As a bank has to keep watch on the deposits of its millions of customers and also it has to manage its own large financial base. As in recently it is popular “No finance no business”, for the bank “Finance itself is business”. There are different types of organizational structure such as group organization, line organization, line and staff organization. HDFC Bank has a line of authority and the line of authority is vertical i.e. authority passes from top to bottom and responsibility passes from bottom to top level management.

As HDFC Bank is a very big company and it has a large clientele base so it is very difficult and complicated to manage its finance in the proper way. There we need concrete and proper policies to have proper management of it. Because of the big size of the bank one cannot manage

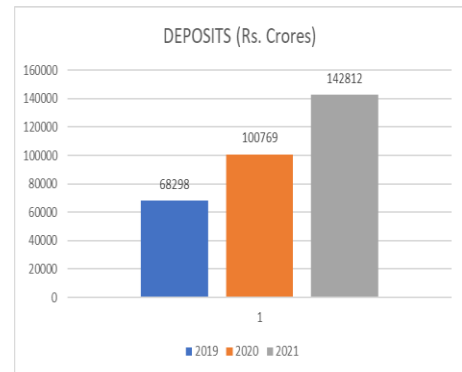
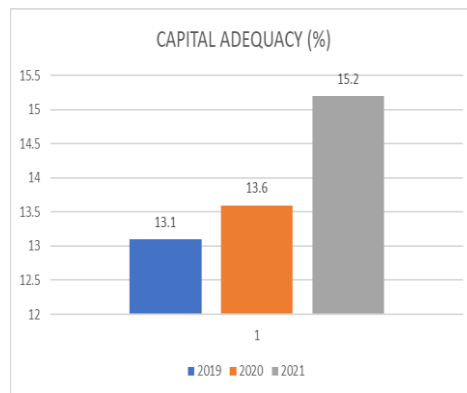
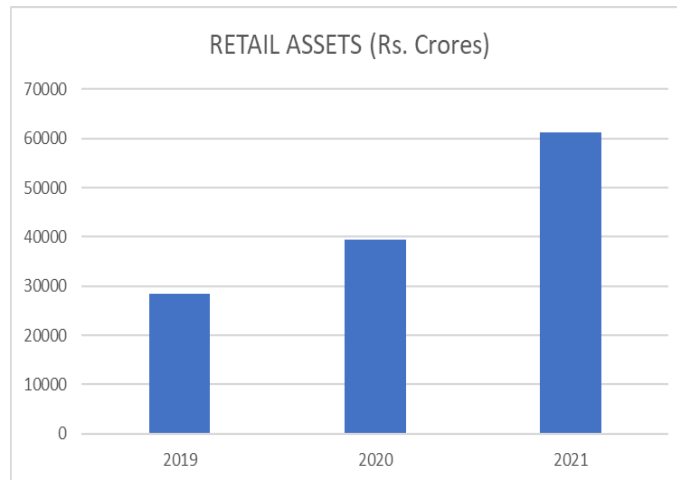
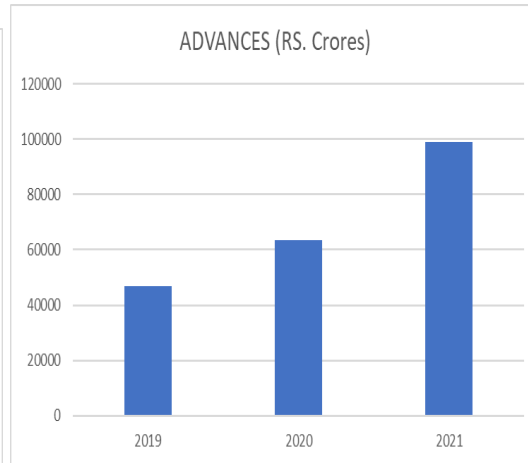
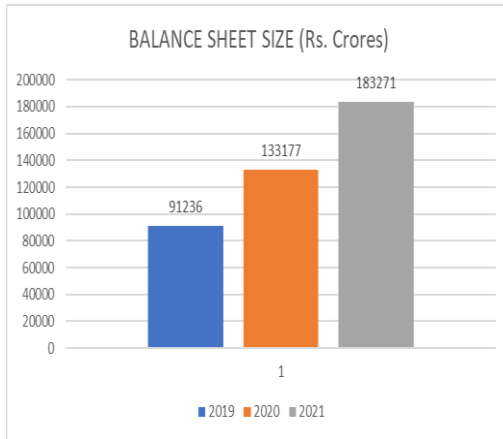
all the ac- counts of it alone. So, companies have to appoint many different persons so that proper maintenance of the funds of different persons is possible.

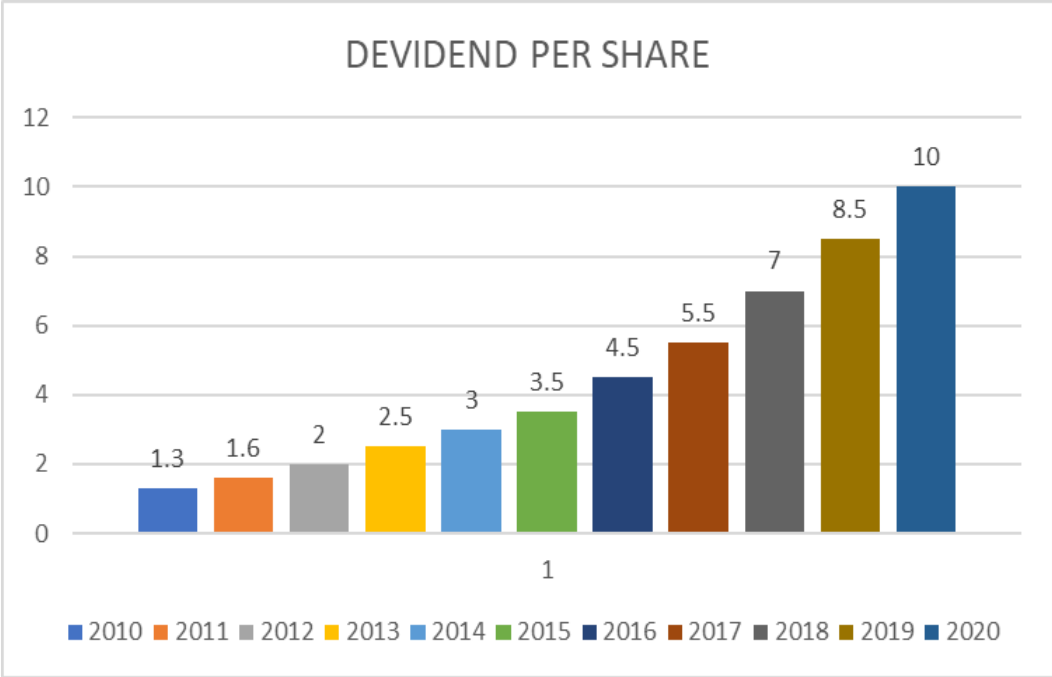
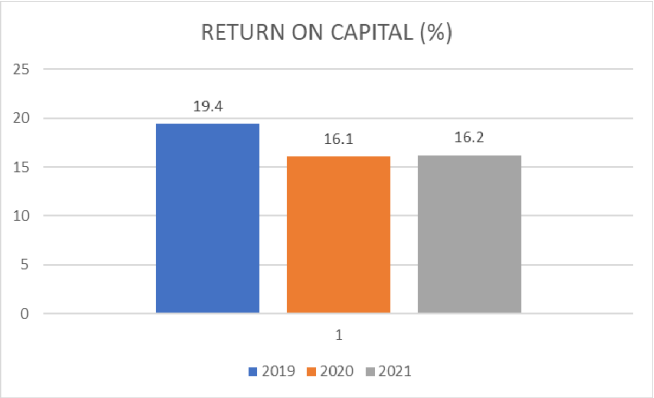
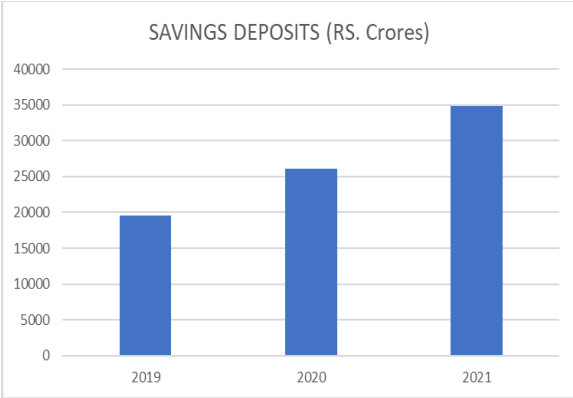
Ratios

| Profitability Ratios % | March- 2021 | March- 2020 | March- 2019 |
|-------------------------------|--------------------|--------------------|--------------------|
| Operating Profit Margin | 19.87 | 30.78 | 33.15 |
| Gross Profit Margin | 18.05 | 28.58 | 30.50 |
| Net Profit Margin | 11.35 | 12.82 | 13.57 |
| Turnover Ratios | | | |
| Inventory Turnover Ratio | 0.00 | 0.00 | 0.00 |
| Debtor Turnover Ratio | 0.00 | 0.00 | 0.00 |
| Fixed Asset Turnover Ratio | 5.00 | 5.18 | 4.33 |
| Solvency Ratio | | | |
| Current Ratio | 0.28 | 0.27 | 0.26 |
| Debt Equity Ratio | 9.49 | 8.76 | 10.62 |
| Interest Covering Ratio | 0.44 | 0.78 | 0.87 |
| Performance Ratio % | | | |
| Return On Investment | 2.48 | 3.38 | 3.68 |
| Return On Net-worth | 15.32 | 13.83 | 17.74 |
| Dividend Yield | 22.16 | 22.16 | 22.91 |

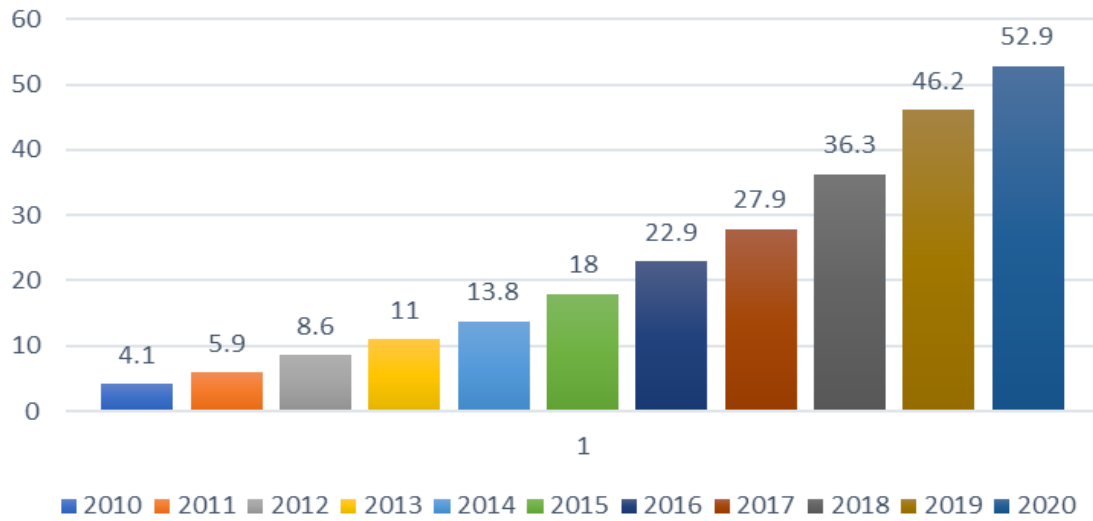
Profit & Loss Accounts (Rs. in millions)

| | March - 2021 | % | March - 2020 | % | March - 2019 | % |
|--|---------------------|----------|---------------------|----------|---------------------|----------|
| | (12 months) | | (12 months) | | (12 months) | |
| Sales | 197,707.18 | +1.00 | 123,544.10 | +1.00 | 83,033.40 | +0.99 |
| Other In- come | 0.00 | | 430.40 | +0.00 | 1,029.60 | +0.01 |
| Total In- come | 197,707.18 | - | 123,974.50 | - | 84,063.00 | - |
| Raw Materi- al Cost | 0.00 | | 0.00 | | 0.00 | |
| Excise | 0.00 | | 0.00 | | 0.00 | |
| Other Ex- penses | 158,418.44 | +0.80 | 85,506.80 | +0.69 | 55,505.10 | +0.66 |
| Operating Profit | 39,288.74 | +0.20 | 38,037.30 | +0.31 | 27,528.30 | +0.33 |
| Interest Name | 89,111.04 | +0.45 | 48,871.20 | +0.39 | 31,794.50 | +0.38 |
| Gross Profit | -49,822.30 | -0.25 | -10,833.90 | -0.09 | -4,266.20 | -0.05 |
| Depreciation | 3,599.09 | +0.02 | 2,717.20 | +0.02 | 2,196.00 | +0.03 |
| Profit Bef. Tax | 32,956.70 | +0.17 | 22,803.80 | +0.18 | 16,402.00 | +0.20 |
| Tax | 10,549.20 | +0.05 | 6,909.00 | +0.06 | 4,977.00 | +0.06 |
| Net Profit | 22,407.50 | +0.11 | 15,894.80 | +0.13 | 11,425.00 | +0.14 |
| Other Non- Recurring Income | 35.99 | +0.00 | 6.40 | | -14.00 | .00 |
| Reported Profit | 22,443.49 | +0.11 | 15,901.20 | +0.13 | 11,411.00 | +0.14 |
| Equity Divi- dend | 4,253.84 | +0.02 | 3,012.70 | +0.02 | 2,235.70 | +0.03 |

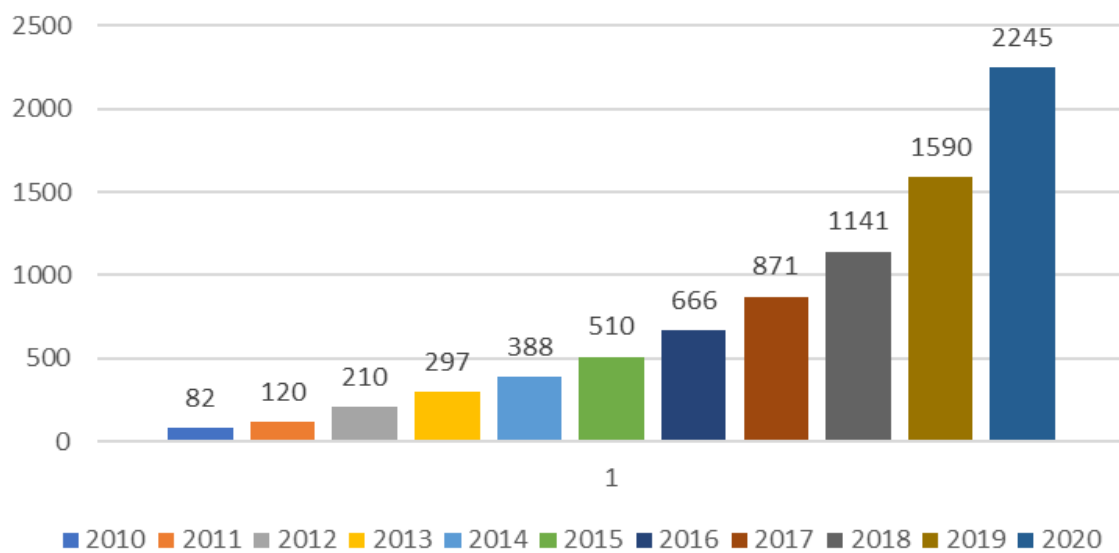


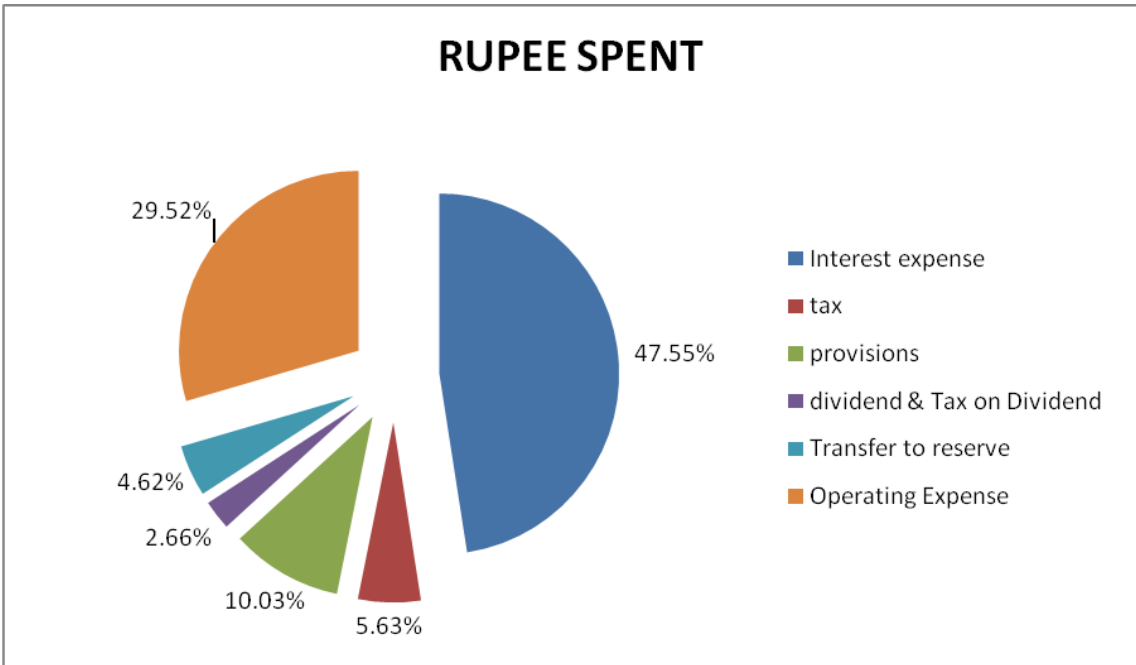
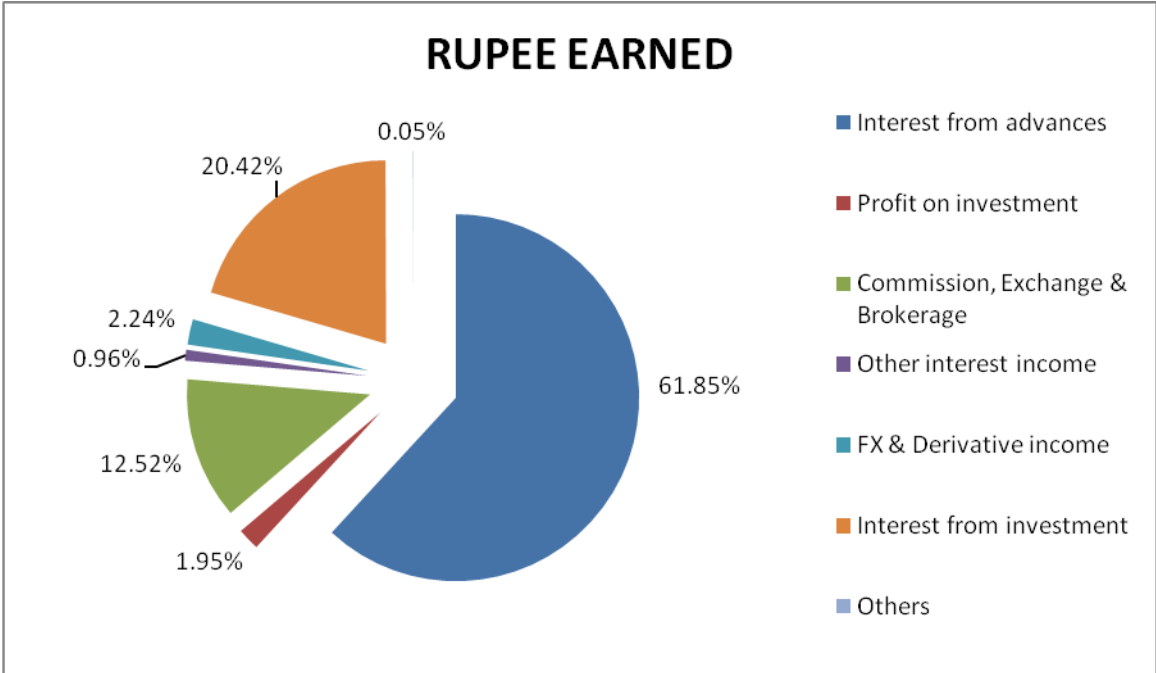


EARNING PER SHARE



PROFIT AFTER TAX (Rs. Crores)





SWOT ANALYSIS



SWOT ANALYSIS

SWOT Analysis is a powerful technique for understanding your Strengths and Weaknesses, and for looking at the Opportunities and Threats you face. Used in a business context, it helps you carve a sustainable niche in your market. Used in a personal context, it helps you develop your career in a way that takes best advantage of your talents, abilities and opportunities.

SWOT ANALYSIS OF HDFC BANK

STRENGTH

- ❖ Right strategy for the right products.
- ❖ Superior customer service vs. competitors.
- ❖ Great Brand Image
- ❖ Products have required accreditations.
- ❖ High degree of customer satisfaction.
- ❖ Good place to work
- ❖ Lower response time with efficient and effective service.
- ❖ Dedicated workforce aiming at making a long-term career in the field.

WEAKNESSES

- ❖ Some gaps in range for certain sectors.
- ❖ Customer service staff need training.
- ❖ Processes and systems, etc
- ❖ Management cover is insufficient.
- ❖ Sectoral growth is constrained by low unemployment levels and competition for staff

OPPORTUNITIES

- ❖ Profit margins will be good.
- ❖ Could extend overseas broadly.
- ❖ New specialist applications.
- ❖ Could seek better customer deals.
- ❖ Fast-track career development opportunities on an industry-wide basis.
- ❖ An applied research center to create opportunities for developing techniques to provide added-value services.

THREATS

- ❖ Legislation could impact.
- ❖ Great risk involved
- ❖ Very high competition prevailing in the industry.
- ❖ Vulnerable to reactive
- ❖ attack by major competitors
- ❖ Lack of infrastructure in rural areas could constrain investment.
- ❖ High volume/low cost market is intensely competitive.

KEY POINT

SWOT Analysis is a simple but powerful framework for analyzing a company's Strengths and Weaknesses, and the Opportunities and Threats you face. This helps you to focus on your strengths, minimize threats, and take the greatest possible advantage of opportunities available to you.

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