

HDFC Bank has been adjudged the Best Domestic Bank – India by Asiamoney at its India Banking Awards 2017.

Here's the article written by the publication on the bank in its awards issue.

Best Domestic Bank: HDFC Bank

India has bigger banks than HDFC Bank, particularly in the state sector. It also has some extremely successful and powerful private banks that were strong candidates for this award. But no bank in India is better run than HDFC.

It shows in the numbers it generates. ICICI Bank – founded in the same year as HDFC (1994) and for a long time its main rival as the best bank in the country – has a backlog of non-performing loans that has put pressure on its credit profile, Moody's warned in February 2017. HDFC Bank, by contrast, has no such problem: its net and gross NPL ratios stood, as of the end of December 2016, at 0.32% and 1.05% respectively.

HDFC Bank remains the country's most profitable private lender, which explains why its market capitalization is twice that of ICICI's, and nearly three times that of another leading private lender, Axis Bank. Recent financials also highlight the strides HDFC Bank continues to make: net interest income is up 24% year-on-year in the 12 months to the end of March 2016; pre-tax profit and net revenues are respectively 20% and 23% higher. Earnings over the nine months to the end of 2016 are 18.3% higher on an annualized basis.

When Asiamoney sat with the bank's highly respected managing director, Aditya Puri, he was asked why HDFC remains so far ahead of its peers. "Because we stick to our knitting," he replied. "Others might dip in and dip out of retail banking or corporate banking, or have ups-and-downs. We stick to very clearly defined targets, we embrace technology, but we are careful when it comes to risk."