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## Digital Banking Transformation and Profitability: A Trend Analysis of ROA and ROE of HDFC Bank (2014–2025)

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### Abstract

*This study examines the profitability of HDFC Bank within the context of digital banking transformation by analyzing trends in Return on Assets (ROA) and Return on Equity (ROE) over the period 2014–2025. Unlike conventional financial studies, this research integrates a digital business perspective by linking financial performance with technological advancement in banking services. The study adopts a quantitative approach using secondary data collected from annual reports, Reserve Bank of India publications, and financial databases. Analytical tools include ratio analysis and trend analysis to evaluate Net Profit, Total Assets, Shareholders' Equity, ROA, and ROE. The findings indicate consistent growth in profitability and asset expansion, supported by stable ROA, which reflects efficient asset utilization driven by digital banking systems. However, a gradual decline in ROE suggests increased capital expansion due to long-term investment in digital infrastructure. The study concludes that digital transformation plays a significant role in enhancing operational efficiency and sustaining profitability in the banking sector.*

**Keywords:** Digital Banking, Profitability, ROA, ROE, Fintech, Financial Performance

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## Transformasi Perbankan Digital dan Profitabilitas: Analisis Tren ROA dan ROE Bank HDFC (2014–2025)

### Abstrak

*Studi ini meneliti profitabilitas HDFC Bank dalam konteks transformasi perbankan digital dengan menganalisis tren Return on Assets (ROA) dan Return on Equity (ROE) selama periode 2014–2025. Berbeda dengan studi keuangan konvensional, penelitian ini mengintegrasikan perspektif bisnis digital dengan menghubungkan kinerja keuangan dengan kemajuan teknologi dalam layanan perbankan. Studi ini mengadopsi pendekatan kuantitatif menggunakan data sekunder yang dikumpulkan dari laporan tahunan, publikasi Bank Sentral India, dan basis data keuangan. Alat analisis meliputi analisis rasio dan analisis tren untuk mengevaluasi Laba Bersih, Total Aset, Ekuitas Pemegang Saham, ROA, dan ROE. Temuan menunjukkan pertumbuhan yang konsisten dalam profitabilitas dan ekspansi aset, didukung oleh ROA yang stabil, yang mencerminkan pemanfaatan aset yang efisien yang didorong oleh sistem perbankan digital. Namun, penurunan bertahap dalam ROE menunjukkan peningkatan ekspansi modal karena investasi jangka panjang dalam infrastruktur digital. Studi ini menyimpulkan bahwa transformasi digital memainkan peran penting dalam meningkatkan efisiensi operasional dan mempertahankan profitabilitas di sektor perbankan.*

**Kata Kunci :** Fintech, Kinerja Keuangan, Perbankan Digital, Profitabilitas, ROA, ROE

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### INTRODUCTION

The banking industry has undergone a profound transformation in recent years, driven by rapid advancements in digital technology, the emergence of financial technology (fintech), and

the increasing adoption of digital platforms by consumers. Traditional banking models, which were primarily branch-based and transaction-oriented, have evolved into digitally integrated systems that prioritize speed, convenience, and personalized customer experiences. The proliferation of mobile banking, internet banking, artificial intelligence, big data analytics, and digital payment systems has significantly reshaped the way financial services are delivered and consumed (Izah, Mahyabella, Widodo, & Arfisa, 2025; Nisa, Awalia, Khusna, Haliza, & Fitriyani, 2025).

In this digital era, banks are no longer evaluated solely based on conventional financial indicators such as profitability, asset growth, and capital strength. Instead, their performance is increasingly influenced by their ability to adopt, integrate, and optimize digital technologies within their operational and strategic frameworks. Digital transformation enables banks to reduce operational costs, improve service efficiency, enhance risk management, and expand their customer base through digital channels. Consequently, profitability is not only a function of financial management but also a reflection of technological capability and digital innovation (Agarwal, Malik, & Gautam, 2024) (Iqbal & Tanty, 2022) (Rao & Rao, 2022).

HDFC Bank, one of the leading private sector banks in India, has demonstrated consistent growth in profitability, assets, and shareholder equity over the past decade. The bank is widely recognized for its strong financial performance and operational efficiency. However, alongside its financial success, HDFC Bank has also actively invested in digital banking infrastructure, including mobile applications, online platforms, and technology-driven services. These digital initiatives are expected to play a crucial role in shaping its long-term financial performance and competitive positioning in the banking industry (Balyan & Singh, 2024) (Das, De, Mukherjee, Dey, & Ghosh, 2024) (Yadav & Jang, 2021) (GK, Das, & Sinha, 2024).

Despite the growing importance of digitalization, many existing studies on bank profitability continue to rely heavily on traditional financial ratio analysis, such as Return on Assets (ROA) and Return on Equity (ROE), without adequately considering the impact of digital transformation. While these indicators remain essential for evaluating financial performance, they do not fully capture the underlying drivers of efficiency and growth in a digital banking environment. This creates a gap in understanding how digital capabilities contribute to profitability and whether traditional metrics alone are sufficient to evaluate bank performance in the digital age (Maria & Hussain, 2026) (Subramoniam & Hari, 2021) (Kumar, 2025).

Furthermore, the banking sector is currently facing intensified competition not only from traditional financial institutions but also from fintech companies, digital wallets, and platform-based financial services. These new entrants leverage advanced technologies to offer faster, more user-friendly, and cost-efficient services, thereby challenging the dominance of conventional banks. As a result, banks are under increasing pressure to innovate and adopt digital strategies to maintain their market position and profitability (Sianipar, 2026).

Another challenge lies in the complexity of financial data and the difficulty of interpreting long-term performance trends in a rapidly changing digital environment. Although financial statements provide comprehensive data, they do not explicitly reflect the role of digital transformation in influencing profitability. Therefore, there is a need for a more integrated analytical approach that combines financial performance evaluation with a digital business perspective (Izza, Fahmi, Istikomah, & Widiana, 2024) (E. Sharma & McLean, 2025) (Mohanty, Gopalkrishnan, & Saurabh, 2024).

Based on these considerations, this study seeks to address the gap by analyzing the profitability of HDFC Bank over an eleven-year period (2014–2025) using trend and ratio analysis,

while interpreting the results within the context of digital banking transformation. The study aims to provide a more comprehensive understanding of how profitability trends are influenced not only by financial factors but also by the bank’s adaptation to digital technologies (Ardiansyah, 2024) (P. K. Sharma & Dhiman, 2023)(Sama, Kosuri, & Kalvakolanu, 2022)(Jitmaneroj & Ogwang, 2023)(Abel, Mukarati, Manenge, & Le Roux, 2024).

In summary, the main problem addressed in this research is the limited integration of digital business perspectives in traditional profitability analysis. Without incorporating the role of digital transformation, financial performance evaluation may overlook critical factors that drive efficiency, competitiveness, and long-term sustainability in the modern banking industry. Therefore, this study attempts to bridge this gap by combining financial analysis with insights from digital business, offering a more holistic view of bank performance in the digital era.

## RESEARCH METHODOLOGY

This study adopts a quantitative and analytical research design to examine the profitability performance of HDFC Bank over the period 2014–15 to 2024–25. The primary objective is to evaluate financial performance through ratio analysis, focusing on key profitability indicators, namely Return on Assets (ROA) and Return on Equity (ROE). These indicators are treated as the main measures of profitability, while Net Profit, Total Assets, and Shareholders’ Equity serve as supporting financial variables that explain performance dynamics. The quantitative approach enables systematic measurement and comparison of financial data over time, allowing for a structured evaluation of profitability trends.

The study is based entirely on secondary data collected from reliable and authenticated sources. These include the Annual Reports of HDFC Bank for the relevant financial years, publications issued by the Reserve Bank of India (RBI), and financial databases such as Moneycontrol and CMIE Prowess, which are used for data validation and cross-verification. To ensure consistency and comparability, all financial figures are presented in Indian Rupees (₹) crores. The use of standardized financial data enhances the reliability and accuracy of the analysis.

The research covers an eleven-year period (2014–15 to 2024–25), which is considered sufficient to capture long-term performance trends and structural changes in the banking sector. This period also allows for the observation of financial dynamics before and after major economic disruptions, including the COVID-19 pandemic, as well as the acceleration of digital banking adoption.

In evaluating profitability, the study utilizes five key financial variables. Net Profit represents the earnings available to shareholders after deducting all operating expenses, interest, and taxes. Total Assets indicate the overall resource base of the bank, including both fixed and current assets. Shareholders’ Equity reflects the ownership interest and capital structure of the bank. Meanwhile, Return on Assets (ROA) measures the efficiency with which the bank utilizes its total assets to generate profit, while Return on Equity (ROE) indicates the return generated on shareholders’ funds. These variables collectively provide a comprehensive view of financial performance and operational efficiency.

Table 1. Definition and Measurement of Research Variables

Variable	Description	Formula / Definition
Net Profit (₹ Cr)	Represents the net income available to shareholders after deducting all expenses and taxes.	$\text{Net Profit} = \text{Gross Profit} - (\text{Operating Expenses} + \text{Interest} + \text{Taxes})$

Variable	Description	Formula / Definition
Total Assets (₹ Cr)	Denotes the total resources owned by the bank, including fixed and current assets.	Total Assets = Net Block + CWIP + Investments + Other Assets
Shareholders' Equity (₹ Cr)	Reflects the ownership interest of shareholders in the company.	Equity Share Capital + Reserves & Surplus
Return on Assets (ROA) (%)	Measures how efficiently the bank uses its total assets to generate profit.	$ROA = \frac{\text{Net Profits}}{\text{Total Assets}} \times 100$
Return on Equity (ROE) (%)	Indicates the profitability earned on shareholders' funds.	$ROE = \frac{\text{Net Profits}}{\text{share holder's Equity}} \times 100$

The table 1 the key financial variables used in this study to evaluate the profitability performance of HDFC Bank. These variables include Net Profit, Total Assets, Shareholders' Equity, Return on Assets (ROA), and Return on Equity (ROE), each of which plays a crucial role in assessing financial efficiency and performance. Net Profit represents the final income available to shareholders after deducting all operating expenses, interest obligations, and taxes from gross profit. This variable serves as a fundamental indicator of the bank's overall financial success and earning capability. Total Assets refer to the aggregate value of all resources owned by the bank, including fixed assets, capital work-in-progress (CWIP), investments, and other assets. This measure reflects the scale of the bank's operations and its capacity to generate income through asset utilization.

Furthermore, Shareholders' Equity represents the ownership interest held by investors in the bank, which consists of equity share capital combined with reserves and surplus. It indicates the financial strength and capital structure of the organization. In addition to these absolute financial measures, the study employs two key profitability ratios. Return on Assets (ROA) is used to measure how efficiently the bank utilizes its total assets to generate profit, calculated as net profit divided by total assets and expressed as a percentage. A higher ROA indicates better asset efficiency and operational performance. Meanwhile, Return on Equity (ROE) evaluates the return generated on shareholders' funds, calculated as net profit divided by shareholders' equity and expressed as a percentage. ROE reflects how effectively the bank is using investors' capital to generate earnings.

Overall, these variables are interrelated and collectively provide a comprehensive framework for analyzing profitability. Net Profit serves as the core outcome variable, while Total Assets and Shareholders' Equity represent the financial base used to generate that profit. ROA and ROE, in turn, transform these absolute figures into relative performance indicators, allowing for more meaningful comparisons across time. In the context of modern banking, particularly within a digital business environment, these measures also indirectly reflect operational efficiency, technological adoption, and the bank's ability to optimize resources in an increasingly competitive and digitalized financial landscape.

For data analysis, the study employs ratio analysis and trend analysis as the primary analytical tools. Ratio analysis is used to calculate ROA and ROE on an annual basis, enabling the assessment of profitability and efficiency over time. Trend analysis is applied to examine the direction and growth patterns of key financial indicators, including Net Profit, Total Assets, ROA, and ROE, across the study period. The trend index is calculated using the formula:

$$\text{Trend Index} = \frac{\text{Current Year Value}}{\text{Base Year Value}} \times 100$$

Furthermore, although the study is primarily based on financial data, it incorporates a digital business perspective in interpreting the results. Profitability trends are analyzed in

relation to the broader context of digital banking transformation, including improvements in operational efficiency, increased adoption of digital services, and technological investments. This integrative approach allows the study to go beyond traditional financial analysis and provide insights into the role of digitalization in shaping bank performance.

## RESULT AND DISCUSSION

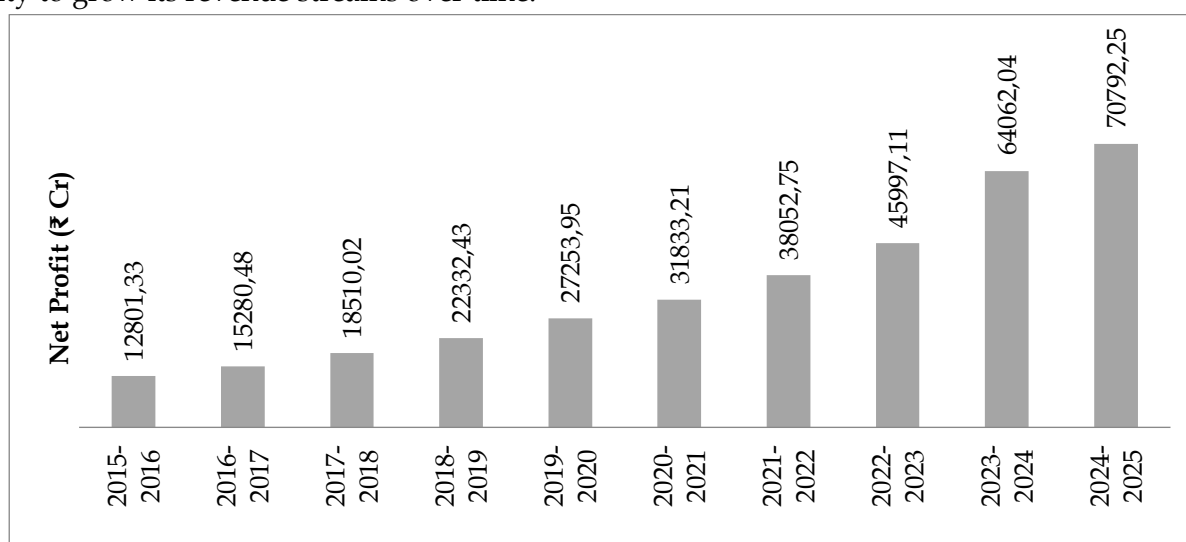
This part of the paper is about the detailed analysis of HDFC Bank's financial performance during the years 2015-16 to 2024-25, concentrating on the main profitability indicators such as Net Profit, Total Assets, Shareholders Equity, Return on Assets (ROA), and Return on Equity (ROE) (shown in Table 2). The research, which relies on secondary data, includes HDFC Bank Annual Reports, RBI publications, and financially verified databases. The study has used trend analysis, ratio analysis, and descriptive statistics to measure the banks' operational efficiency, growth trajectory, and stability of returns.

Table 2. 1- 16 years profitability analysis (2015-16 to 2024-25)

Financial Year	Net Profit (₹ Cr)	Total Assets (₹Cr)	Shareholders' Equity (₹ Cr)	ROA (%)	ROE (%)
2015-2016	12801.33	526590.67	74,304.13	2.431	17.228
2016-2017	15280.48	618567.03	91,793.95	2.470	16.647
2017-2018	18510.02	811947.30	109,599.13	2.280	16.889
2018-2019	22332.43	940093.62	153,672.66	2.376	14.532
2019-2020	27253.95	1115319.56	176,358.71	2.444	15.454
2020-2021	31833.21	1277156.34	209,810.18	2.493	15.172
2021-2022	38052.75	1576599.77	247,326.17	2.414	15.386
2022-2023	45997.11	1908636.35	289,437.50	2.410	15.892
2023-2024	64062.04	2545612.60	456,395.25	2.517	14.037
2024-2025	70792.25	2665562.36	521,789.39	2.656	13.567

Source: Author's calculation from primary data

Net profit of HDFC Bank has been increasing gradually and substantially over the ten years from 2014-15 to 2023-24. It started from 12,801.33 crore in 2015-16 and went up to 70,792.25 crore by 2024-26. The upward trend is a reflection of the bank's strong operational performance, good control over costs, and the ability to make more profits even in the face of both competitive and macroeconomic challenges. Increasingly, net profit is a strong signal of the bank's resilience and ability to grow its revenue streams over time.



Source: Compiled from Secondary data

Figure-1: Net Profit (₹ Cr) from 2015-16 to 2024-25

Over the same period, the banks' total assets also had a major upward trend; total assets increased dramatically from 526,590.67 crore in 2015-16 to 2,665,562.36 crore in 2024-25. The

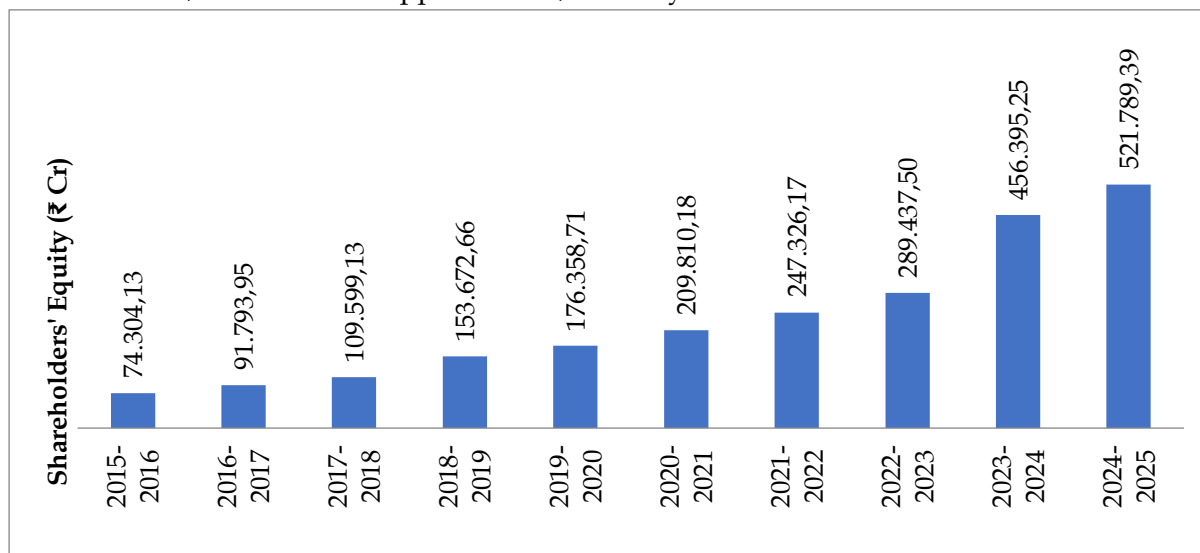
substantial increase in total assets very clearly points to expansion of business operations, the customer base and the investment portfolio. The asset base at HDFC Bank, which keeps on increasing, is a testament to the bank's prudent strategy of scaling its operations through maintaining financial stability and liquidity.



Source: Compiled from Secondary data

Figure-2: Total Assets (₹ Cr) from 2015-16 to 2024-25

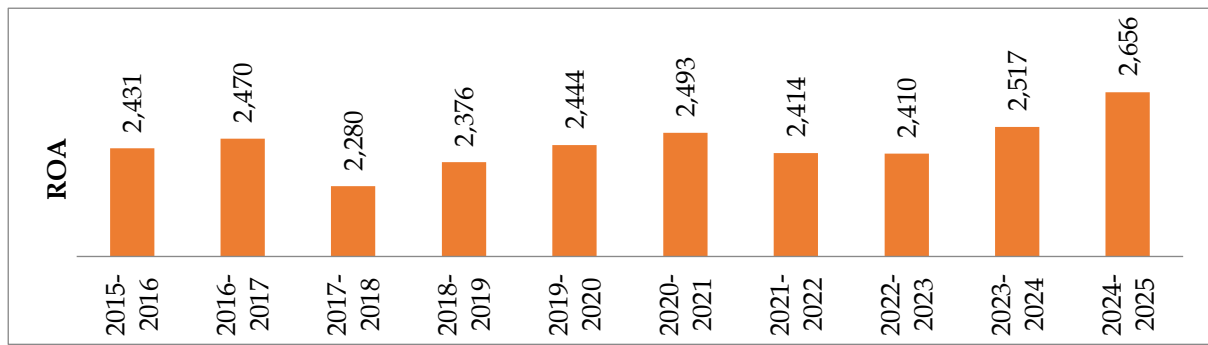
Shareholders' equity shot up significantly from 74,304.13 crore in 2015-16 to 521,789.39 crore in 2024-25. The upward movement is a signal of the bank's robust capital structure and investors' trust in its sound financial condition. A larger equity base is a source of strength for the bank to take on more risks, invest in new opportunities, and stay resilient over time.



Source: Compiled from Secondary data

Figure-3: Shareholders' Equity (₹ Cr) from 2015-16 to 2024-25

Return on Assets, or ROA, which assesses how well assets are used to generate profits, was almost stable during the entire period, with the lowest value at 2.280% and the highest at 2.656%. In fact, the best ROA of 2.656% in 2024-25 demonstrates that the bank did not only sustain the level of its efficiency but actually improved the level of efficiency in turning assets into profits. The situation at hand points to very efficient asset management by HDFC Bank even when total assets grew exponentially.

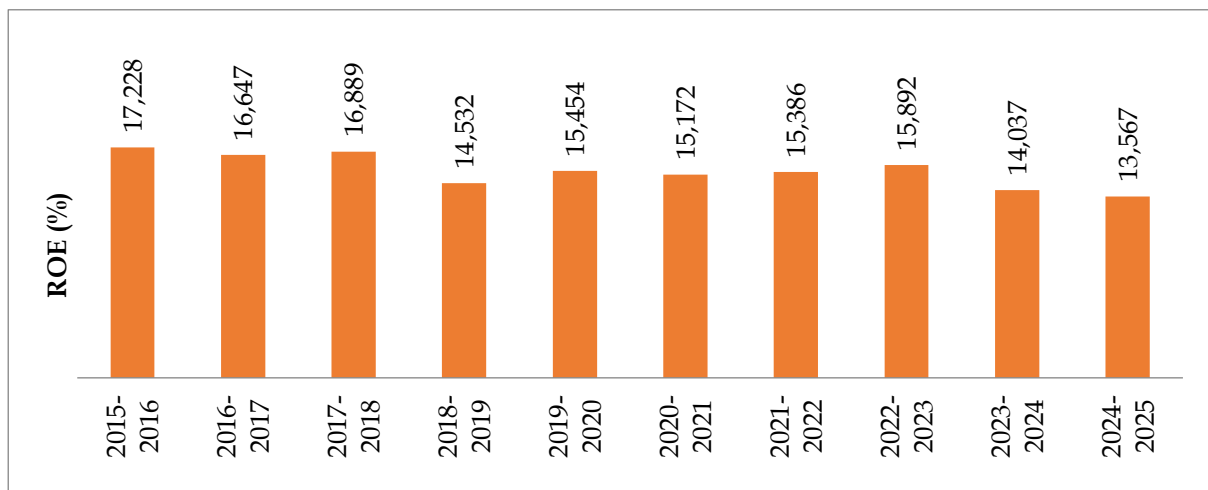


Source: Compiled from Secondary data

Figure-4: ROA (%) from from 2015-16 to 2024-25

ROE, a measure of profitability relative to the shareholders' funds, has been showing a downward trend as it decreased from 17.228% in 2015-16 to 13.567% in 2024-25. The net profits as well as the equity have gone up by a good margin; however, the return per unit of shareholders' investment has been toned down due to the fast growth of the equity base. The trend here points out that the bank is still making very good profits, but the returns to shareholders have increased at a slower rate as compared to the total equity.

The comprehensive view of the banks' performances in terms of finance over the ten years starting from 2015-16 up to 2024-25 shows the indications of the maturing cycle of HDFC Bank, which is characterised by sustained and robust growth in key areas of operations. The earning capacity of the bank is based on its profit, its successful cost management and the general strength of the macroeconomy. The very large increase in total assets reflects a bank's aggressive market capture strategy with good credit management, and by seizing the opportunities provided by a competitive banking market. Meanwhile, the extraordinary growth of shareholders' equity not only represents stabilising capitalisation but it also signifies consistent investor confidence, which leads to a solid platform for long-term growth. The Return on Assets (ROA) was also stable over time, which means that the bank was able to sustain its profitability during rapid asset growth. Stability of Return on Assets (ROA): What does it mean? However, the decreasing ROE figure is an indication that the rate of earnings has been slower than the rate of equity growth, implying a conservative financial policy giving priority to capital sufficiency and earnings sustainability rather than to maximisation of earnings in the short run. Thus, these shifts collectively depict HDFC Bank as an institution that is financially sound and well-managed, with a good mix of profitability, growth and stability, which, in turn, solidifies its position in the market for the long term. The robust and sustained increase of net.



Source: Compiled from Secondary data

Figure-5: ROE (%) from from 2015-16 to 2024-25

Table 3. Trend Index for all indicators

Financial Year	TI(NP)	TI(TA)	TI(SC)	TI(ROA)	TI(ROE)
2015-2016	-	-	-	-	-
2016-2017	119	117	124	102	97
2017-2018	121	131	119	92	101
2018-2019	121	116	140	104	86
2019-2020	122	119	115	103	106
2020-2021	117	115	119	102	98
2021-2022	120	123	118	97	101
2022-2023	121	121	117	100	103
2023-2024	139	133	158	104	88
2024-2025	111	105	114	106	97

Source: Compiled from Secondary data

The trend analysis for the period from 2015-16 to 2024-25, based on the data in Table 3, portrays the picture of HDFC Bank's robust and financially strong performance of the bank over the period 2015-16 to 2024-25. The trend index of the net profit depicts a growth pattern that was positive overall but had fluctuations during the research period. It increased dramatically in 2016-17 to 119 from the base year (2015-16), indicating a considerable rise in the profitability of the bank. These profits increased consistently in the period from 2017/18 to 2019/20 as the index hovered around 120-122. The index decreased to 117 in 2020-21, the year of the corona virus pandemic, and the operational disruptions were the cause of losses in the sector. The index got back to 139 in 2023-24 with a strong rebound, and then it was back to 111 in 2024-25. The net profit trend essentially shows that the bank has been profitable for most of the periods, and in some of the years, which were cyclical in nature, it has been able to moderate, thereby confirming the bank's resilience to such cycles. The trend in total assets has been very consistent, and the bank has been continuously expanding its balance sheet, as can be seen from the move of the total asset index from 117 in 2016-17 to 133 in 2023-24, and before the year 2024-25, it went to a slightly lower level of 105. These shifts reflect a cumulative rise in credit, investment, and deposits that have become the major stories of the bank's assets over the years. The steady increase of total assets is a testimony to the bank's capabilities of asset management and successful scaling of its operations. The slight decrease last year may have resulted from portfolio optimisation or a stricter lending policy. In summary, the trend's implication is the banks' balance sheet growth of a sustained nature, which makes it a solid foundation for long-term income generation and financial stability. The advancement of shareholders' equity is certainly the most remarkable, rising from 124 in 2016-17 to peak at 158 in 2023-24 and then falling back to 114 in 2024-25. An increase here signals a capital-retained earnings spiral upward for the moment, representing not only growing confidence of investors but also strong internal money flow. Expansion of the shareholder base increases the bank's resilience to risk and compliance with Basel regulations. Yet the little drop in 2024-25 suggests maybe dividend payments or a lower amount of retained profits. In a nutshell, the observations made in trend analysis are related to banks' financial soundness and deepened confidence of the investors in the long-run growth potential of HDFC Bank.

The return on assets (ROA). The trend is quite close to 100% with some fluctuations over the years. The VAL = 92 in 2017-18 represented a period of expansion of assets when HOPE was rather inefficient, whilst the maximum value of 106 in 2024-AM1 represented good asset utilisation. Such a stable ROA is indicative of the MFOH HDFC bank, which was able to maintain

OP while in accelerated asset growth. The overall effect of the ROA line tells the story of accepting the assets as an efficient tool of profit generation, meaning the bank's use of resources has been on point, and its productivity has not faltered. The trend index of ROE exhibits a gradual downward trend with some ups and downs between the values from 86 to 106 of the time span of the period under consideration. It was at its best at 106 in 2019-20, after which it went down to 88 in 2023-24 and then became a little bit better again; 97 was the value in 2024-25. This reduction in the trend means that the return on the investment of the shareholders is lower, although net incomes and equity have increased in absolute terms. The fall was most likely because the stock base shot up faster than profits. The impact of the ROE line is a shift to a less aggressive utilization of the profitability, with the stability of the capital and its steady, sustainable increase over time rather than in bursts of high returns as the main concern.



Figure 6: The return index for all indicators

The numbers illustrate the bank making very good progress to this point and can be seen in net profit, total assets and shareholders' equity for the years 2018 to 2022. The above trends signify a continually growing strength of the bank's business and management as well as its market presence. Meanwhile, the constant return on assets (ROA) implies that the bank has made good use of its resources and managed its assets wisely, covering its rapid balance sheet

expansion. The gradual decline in return on equity (ROE) is consistent with the fact that the bank remains highly profitable and that the relative return to shareholders has diminished somewhat due to the expansion of the equity base. In summary, Table 2 provides unambiguous evidence of high operating efficiency, strong capitalisation and a profitable inherent business model of the HDFC Bank over time, and hence it can be considered financially strong if it emphasises stability of earnings over earning maximisation in the short term.

An evaluation of 10 years of financial data of HDFC Bank, from 2015-16 to 2024-25, predicts a steady trend of growth, earnings, and bank soundness. The study is focused on five quantitative indicators: net profit, total assets, shareholders' equity, return on assets (ROA), and return on equity (ROE), using descriptive and trend index analysis. Results provide a more detailed understanding of the financial performance of the company and the rational implementation of its strategy in terms of growth and profitability conditions. These are the major points:

1. **Consistent Growth in Net profit:** The year 2023-24 is much greater than any other year before it, which is a testament to the ability of the bank to make profits amidst all the turbulence in the economy. The net profit of HDFC Bank depicts a very good positive growing pattern during the years of review, which in turn indicates that in terms of financial condition, the bank was strong, efficient and had multiple sources of expansion of income. As a result, the divergent character of the time series for Net Profit (TI-NP) gets more pronounced each passing year, as even the highest value for
2. **Increase in Total Assets :** 2016-17 to 2023-24 implies that the bank had been trying to grow in terms of its business activities and manage its assets well. business expansion, credit portfolio and investment activities showed an upward trend. In other words, an increase in the trend index of Total Assets (TI-TA) over the period from The total assets of HDFC Bank were continuously increasing for much of the period, as the bank's
3. **Stronger Shareholders' Equity: Profit is Regular:** Growth in Net Profit the year 2023-24, indicating that the bank was still very much keen to meet its capital requirements from a strong base optimistic investor outlook. Trend Index of Shareholders' Equity (TI-SC) attained its peak value of 158 in 'Shareholders' – Strongest SRF of Crowding-out There is also a rapid and substantial increase in shareholders' equity, suggesting robust internal capitalisation, retained earnings and the year 2023-24 is much greater than any other year before it, which is testament to the ability of the bank to make profits amidst all the turbulence in the economy.
4. **Stable Return on Assets (ROA):** The ROA was quite stable over the time period with only minor fluctuations between 92 and 106 in trend index terms. Implicitly, HDFC Bank, in its whole period of large-scale asset expansion, has very efficiently managed its asset base to maintain profitability.
5. **Moderation in Return on Equity (ROE):** In spite of the fact that the bank kept on making high absolute profits, ROE was showing a slow gradual decline pattern and was moving between 86 and 106 of the trend index. The decrease in ROE is indicative of a situation where, although shareholder funds increased rapidly, the return per rupee of equity decreased slightly, thus pointing to conservative growth and further capitalisation of the bank.
6. **Positive and Sustained Growth Patterns:** The trend indices are very clear in their indicator of overall positive Net Profit, Total Assets, and Shareholders' Equity, thus confirming the bank's continued financial growth and stability in the volatile market conditions.

7. Efficient Capital and Risk Management: The growing equity base along with the stable ROA indicates that HDFC Bank has managed to balance profitability with risk management to assure regulatory compliance and growth that is sustainable.
8. Operational Efficiency Sustained: Throughout the period, and despite some less than favourable external conditions, HDFC Bank maintained consistent returns on both assets and equity, and this is what generally defines its efficient cost management, prudent lending, and robust business.

## CONCLUSION

The current study spanned 10 years from 2015-16 to 2024-25, and significant variables were NPM, total assets, shareholders' equity, ROA and ROE. The findings prove that HDFC Bank has a sustained streak of growth on the back of strong operational management, finances and risk management. The slowly rising maximum net profit and total assets indicate that the bank has steadily enlarged its business and retained decent profits in the volatile financial market. The substantial increase in shareholders' equity is a sign of strong capitalisation, positive investor sentiment and good profit retention. Although ROA did not vary (suggesting a relatively high degree of asset efficiency), ROE steadily declined; this implies that the rate of capital growth had surpassed that of profit growth and that the bank was taking a prudent but sustainable approach to financial management. The trend analysis further suggested that the earnings and financial framework of the HDFC Bank can sustain the economic upheavals even in a scenario as tumultuous as the global pandemic and regulatory changes. Thus, the above study helps to conclude that HDFC Bank has a good financial performance, and it is growing with stability, and it is focusing on sustainability in the long run rather than focusing on the maximisation of short-term profits. The bank's continuing profitability, strong asset base and unwavering investor confidence attest to its reputation as one of the best-run and most efficient financial houses in India.

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