

# Headcount drops by 3,200 in FY17

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A result of digitisation, slower branch expansion



## Mumbai, April 21:

HDFC Bank saw a net attrition of 3,200 employees in FY17 due to increasing digitisation of banking transactions.

As at March-end 2017, India's second-largest private sector bank had 84,300 employees on its rolls as against 87,500 as at March-end 2016, according to Deputy Managing Director Paresh Sukthankar.

Going by the numbers, most of the attrition has happened in the fourth quarter as the employee numbers had swelled to 90,000 by December-end 2016.

Besides increasing digitisation, Sukthankar attributed the lower employee count *vis-a-vis* the previous year to changes in process design and improvement in transaction efficiencies.

Moreover, the bank added fewer branches (195) in FY17 as against an average yearly branch addition of 300-400 in the last few years.

In sync with increased digitisation of banking transactions and improvement in income, HDFC Bank's cost-to-income ratio (operating expense/net interest income plus other income)

improved to 42.4 per cent in the reporting fourth quarter from 44.9 per cent in the year-ago period. In this regard, the bank may be reaping the benefits of digitisation besides growth in income.

As at March-end 2017, the bank's distribution included 4,715 branches and 12,260 ATMs in 2,657 cities/towns.

(This article was published in the Business Line print edition dated April 22, 2017)