

June 24, 2025

**IPO NOTE** | Sector: Financials

# HDB Financial Services

## 'A sturdy franchise'

### Palatable IPO valuation offers attractive returns opportunity

At the upper end of the IPO Price Band of Rs700-740, HDB is being priced at 3.7x/3.4x trailing PBV and 28x/27x trailing PE on pre/post money basis. This valuation represents a significant discount to Chola, which trades at 5.7x PBV and 32x PE on trailing basis. In the light of HDB's sturdy franchise, strong management/promoter, positively changing operating environment and palatable IPO valuation, we recommend subscribing into the issue with a potential of meaningful upside in next 12m.

### Resilient cross-cycle growth, credit cost and RoE performance reflects sustainable practices

Across various economic and credit cycles, HDB's Growth and RoE performance has been resilient. Company's Gross Loan Book and PAT has witnessed a CAGR of 19-20% in the past 10 years, and average RoE delivery has been 15%. HDB has not raised any equity capital in the last eight years while growing loan book and largely maintaining capital adequacy, thus reflecting resilience in asset quality and margin performance. Growth performance has been underpinned by continuous distribution and product suite augmentation. Sturdy asset quality has been an outcome of well-organized underwriting and collections.

### Key franchise traits - retail, granular, and diversified, focus on underbanked customers, and having solid parentage

Beginning its journey in 2007 as a subsidiary of HDFC Bank, HDB Financial Services (HDB) has evolved into one of India's largest NBFCs with a Gross Loan Book of Rs1.07tn as of March'25. HDB today offers a wide variety of lending products, primarily catering to underbanked customers representing low to middle income households with minimal or no credit history. New to credit customers formed ~11.5% of gross loan book as of March'25. Company's loan products fall within its three business verticals of Enterprise Lending (39% of Gross Loan Book), Asset Finance (38%) and Consumer Finance (23%). The offerings address key borrowings needs of the target customer segment like Business Loans (Secured/Unsecured), New & Used CV/CE Financing (for income generation purposes), Consumer Product Loans, Personal Vehicles Loans, Gold Loans and Small & Mid-ticket Personal Loans.

Management's focus has been on building a granular and well-diversified loan book, and key aspects in this regard are 1) Top 20 customers forming <0.34% of book, 2) no product contributing >25% of book, 3) no region accounting for >35% of book and 4) Secured/Unsecured loan mix at 73%/27%. HDB has 1771 branches spread across 1170 towns and cities, and >70% of them are in Tier-4+ towns. Having a distinguished parentage of HDFC Bank (pre-IPO shareholding at 94%) lends strong brand equity and liability franchise. Many of the key management team members have been with the company since its early days including MD & CEO, Mr. Ramesh Ganesan, who had prior worked with HDFC Bank group for over eight years.

### Verticalized structure, nuanced underwriting & multi-faceted distribution

HDB has separate Sales, Credit and Collections teams for each business vertical which allows it to tailor operations. The company has a nuanced underwriting structure depending on the product, customer segment and ticket size. Credit approach is curated with centralized credit assessment and underwriting in Consumer Finance and decentralized regional and branch-level credit assessment and local underwriting for Enterprise Lending and Asset Finance. HDB has an experienced and dedicated underwriting/credit team of over 4700 members. More than 12500 employees are in collections, and digital and banking channels constituted over 95% of overall collections. Company has an omni-channel distribution/sourcing network comprising of Field Officers, DSAs, multiple OEM partnerships, vast Dealer and Point of Sale presence and a variety of Digital platforms.

Reco	: <b>SUBSCRIBE</b>
IPO Price	: Rs 700-740
Issue Opens	: 25-JUN-25
Issue Closes	: 27-JUN-25

Issue details	
Face value (Rs)	10.0
Issue Size*	Rs. 125bn
Offer for sale Fresh Issue	Rs100bn Rs25bn
Post-issue M-cap*	Rs. 580.7-613.9 bn

Note: \* At upper price band

Res. Category	% of Net Issue
QIB	Not more than 50%
Non-institutional	Not less than 15%
Retail	Not less than 35%

Issue Managers	
<b>BRLM</b>	JM Financial, BNP Paribas, BofA Sec, Goldman Sachs, HSBC, IIFL Capital, Jefferies, Morgan Stanley, Motilal Oswal, Nomura, nuvama, UBS
<b>Registrar</b>	MUFG Intime India Pvt. Ltd.
<b>Listing</b>	BSE, NSE

Financial Summary			
(Rs mn)	FY23	FY24	FY25
Op. income	88,910	93,068	99,101
PPOP	39,578	43,721	50,408
Net profit	19,594	24,608	21,759
Growth (%)	93.7	25.6	(11.6)
EPS (Rs)	24.8	31.0	27.3
ABVPS (Rs)	136.5	166.4	185.9
P/E (x)	29.9	23.8	27.1
P/ABV (x)	5.4	4.4	4.0
ROAE (%)	18.7	19.5	14.7
ROAA (%)	3.0	3.0	2.2
CAR (%)	20.1	19.3	19.2

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**MANUJ OBEROI**, Associate

## HDB versus Chola - Latter is a notch above

HDB versus Chola makes for an interesting comparison for many similarities they share and for arriving at a fair valuation for the former. An analysis of the recent decade's operating performance of the two franchises reveals 1) Chola being a higher growth franchise notwithstanding its larger loan base (1.7x of HDB currently), 2) growth cycles for Chola been shallower than HDB, 3) credit quality performance of Chola has been superior to HDB with lesser NPL volatility and cross-cycle credit cost and 4) higher sustainable RoE of Chola with ability to operate at better leverage (lesser % of unsecured book). Further, Chola's borrowings are likely to reprice faster in the current rate down cycle.

### Exhibit 1: HDB and CIFIC JOURNEY

HDB Fin (Rs mn)	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
AUM	259,060	342,770	444,690	554,250	588,330	615,610	614,440	700,840	902,350	1,072,620
Growth YoY (%)	34.3	32.3	29.7	24.6	6.1	4.6	(0.2)	14.1	28.8	18.9
PAT	5,344	6,988	9,517	11,532	10,048	3,915	10,114	19,594	24,608	21,759
Growth YoY (%)	52.9	30.8	36.2	21.2	(12.9)	(61.0)	158.4	93.7	25.6	(11.6)
PPoP / Avg Assets (%)	4.5	4.8	5.0	4.7	5.0	5.8	6.1	6.0	5.4	5.0
Credit Cost / Avg Assets	0.9	1.2	1.3	1.3	2.5	5.0	4.0	2.0	1.3	2.1
RoA	2.4	2.4	2.4	2.3	1.7	0.6	1.6	3.0	3.0	2.2
RoE	16.0	15.7	16.5	17.2	13.2	4.8	11.2	18.7	19.5	14.7
Leverage (x)	6.7	6.6	6.8	7.6	7.7	7.5	6.9	6.3	6.5	6.8
Portfolio Yield (%)	13.3	13.6	13.5	13.4	14.4	14.1	13.6	13.6	13.9	14.0
CoF (%)	9.0	9.1	8.1	8.3	8.6	7.8	6.7	6.8	7.5	7.9
NIM (%)	7.6	12.2	11.6	10.8	11.7	11.7	13.0	13.5	11.6	10.0
Spread (%)	4.3	4.5	5.4	5.1	5.8	6.3	6.9	6.8	6.4	6.1
GNPA / S3 (%)	1.2	1.4	1.7	1.8	3.9	4.5	5.0	2.7	1.9	2.3
NNPA (%)	0.9	1.1	1.1	1.3	3.2	3.2	2.5	1.0	0.7	1.0

Chola Fin (Rs mn)	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
AUM	296,500	341,670	428,790	542,790	605,490	699,960	769,070	1,064,980	1,455,720	1,847,460
Growth YoY (%)	16.5	15.2	25.5	26.6	11.6	15.6	9.9	38.5	36.7	26.9
PAT	5,685	7,187	9,183	11,862	10,524	15,149	21,467	26,662	34,228	42,585
Growth YoY (%)	30.6	26.4	27.8	29.2	(11.3)	44.0	41.7	24.2	28.4	24.4
PPoP / Avg Assets (%)	5.0	4.8	4.6	4.2	4.1	4.9	4.8	4.5	4.4	4.6
Credit Cost / Avg Assets	1.7	1.1	0.8	0.6	1.5	2.0	1.1	0.9	1.0	1.4
RoA	2.2	2.5	2.5	2.3	1.7	2.2	2.7	2.7	2.5	2.4
RoE	16.6	18.1	19.6	21.0	14.7	17.1	20.2	20.5	20.2	19.7
Leverage (x)	7.6	7.4	8.0	9.0	8.5	7.8	7.4	7.5	8.0	8.3
Portfolio Yield (%)	13.7	13.2	13.6	13.5	14.2	14.1	13.0	13.2	14.0	14.4
CoF (%)	9.7	9.5	8.5	8.1	8.7	7.7	6.5	6.9	8.0	8.1
NIM (%)	7.8	7.6	7.3	7.0	7.1	7.6	7.8	7.6	7.6	8.0
Spread (%)	4.0	3.7	5.1	5.5	5.5	6.4	6.6	6.3	6.0	6.3
GNPA / S3 (%)	3.4	4.5	3.4	2.7	3.8	4.0	4.4	3.0	2.5	2.8
NNPA (%)	2.4	3.7	2.3	1.7	2.3	2.3	2.7	1.7	1.4	1.6

Source: Company, YES Sec

## COMPANY BACKGROUND

HDB Financial Services (HDBFS) is a leading, diversified retail-focussed NBFC, categorised as an Upper Layer NBFC (NBFC-UL) by RBI. Company offers a large portfolio of lending products that cater to a growing and diverse customer base through a wide omni-channel distribution network. The products are offered through their three business verticals namely, Enterprise Lending, Asset Finance and Consumer Finance. Incorporated in 2007 as a subsidiary of HDFC Bank, HDBFS is today amongst the largest and fastest growing customer franchise having served 19.2mn customers and have grown its AUM at a CAGR of 23.7% over FY23-25.

As of March 2025, HDBFS has 80% of its branches located outside 20 largest cities and 70% of branches are located in tier 4+ towns. The granularity of the book can be gauged from the fact that 20 largest customers account for a paltry 0.34% of its gross loans. HDBFS customers mainly comprises of salaried and self-employed individuals, as well as business owners and entrepreneurs and these customers have grown at a CAGR of 26.9% over FY22-25, a testimony of its diversified product portfolio and strong customer services. Notably, secured loans forms 73% of its gross loans and aggregated average ticket size of the loans stood at Rs1,65,000 as of March 2025.

On the asset quality front, HDBFS has reported improved Stage 2/Stage 3 assets of 1.6%/2.3% for March 2025 against 3.5%/5.0% respectively in FY22. HDBFS is accredited with CARE AAA & CRISIL AAA ratings for its long-term debt & Bank facilities and an A1+ rating for its short-term debt & commercial papers.

### Exhibit 2: Overview of key business lines

Overview of Key Business Lines							
	Segment Description	Loan Size (INR)	Tenor	Interest Rate	Secured	Underwriting	Total Gross Loans <sup>(1)</sup> (INR Bn)
Enterprise Lending	<ul style="list-style-type: none"> <li>Fulfilling funding needs of small businesses, including for working capital or capex</li> <li>Secured and unsecured loans to cater to the needs of these enterprises</li> </ul>	25K – 250MM	Up to 15 years	9-18% - Secured Floating 11-30% - Unsecured Fixed	Secured/ Unsecured	Scorecards + at branches based on Policy	900+ 420.1
Asset Finance	<ul style="list-style-type: none"> <li>Loans for purchase of income-generating new and used vehicles and equipment</li> <li>Provides finance to a spectrum of customers including fleet owners, first time users, first time buyers and captive use buyers</li> </ul>	100K – 250MM	Up to 6 years	9-18% Fixed	Secured	Scorecards + at hubs based on Policy	900+ 406.5
Consumer Finance	<ul style="list-style-type: none"> <li>Loans for purchase of consumer durables, digital products, two-wheelers, auto and micro loans</li> <li>Loans to individuals for personal, family or household purposes to meet their short- or medium-term requirements</li> </ul>	4K – 5MM	Up to 7 years	11-34% Fixed	Secured/ Unsecured	Based on segment specific scorecards using analytics	1,000+ 242.2

Notes: 1. Total Gross Loans as at March 31, 2025

Source: RHP, Company

## PRODUCT SUITE

### **Business Loans (12% of Gross Loan Book)**

HDB offers loans without requiring collateral to small businesses in fulfilling their financial needs pertaining to acquiring new equipment and inventory, working capital, or renovating their outlets. The primary customer sourcing channel for this product is field sales officers (FOS) in the branch network. Average ticket of loans is ~Rs0.29mn and average tenor is around 4 years. The Business Loans portfolio stood at Rs128bn as of March'25, ~12% of HDB's gross loan book.

### **Loan Against Property (22% of Gross Loan Book)**

HDB offers loans backed by property as collateral for various purposes such as supporting new business initiatives, buying office premises, providing working capital, or expanding existing business ventures. The primary customer sourcing channels for this product is FOS in branch network and DSAs. Average ticket size of loans is approximately Rs4.3mn and average tenor is around 9 years. The LAP portfolio stood at ~Rs230bn as of March'25, ~22% of HDB's gross loan book.

### **Enterprise Business Loan (2% of Gross Loan Book)**

Self-employed customers (including professionals), private companies and partnership firms are eligible for Enterprise Business Loans (EBL), which aims to enhance their business activities in manufacturing, trading and services. The primary customer sourcing channel for this product is FOS in the branch network. EBL is backed by property as collateral. Average ticket size for this product is ~Rs1.2mn and average tenor is around 8 years. EBL portfolio stood at ~Rs20bn as of March'25, ~2% of HDB's gross loan book.

### **Salaried Personal Loans (3% of Gross Loan Book)**

HDB offers personal loans to salaried employees and customers are sourced through FOS and digital channels. Average ticket size for this product is ~Rs0.3mn and average tenor is around 5 years. SPL portfolio stood at ~Rs35bn as of March'25, ~3.3% of HDB's gross loan book.

### **Gold Loans (0.75% of Gross Loan Book)**

HDB assists customers in fulfilling their urgent personal requirements by providing loans that are secured against gold jewellery. The branch network is the primary customer sourcing channel for this product. Average ticket size for this product is ~Rs0.16mn and average tenor is around 2 years. GL portfolio stood at ~Rs8bn as of March'25, ~0.75% of HDB's gross loan book.

### **Commercial Vehicle Loans (25% of Gross Loan Book)**

HDB offers financing for purchase of new or used commercial vehicles while also provides refinancing on existing vehicles. The company caters to diverse customers, such as fleet owners, first-time users, first time buyers and captive users. The different types of vehicles financed include goods carriers, transport buses and specialized equipment for industrial usage, such as cement mixers and tankers. Average ticket size for this product is ~Rs0.86mn and average tenor is around 4 years. CV Financing portfolio stood at ~Rs264bn as of March'25, ~25% of HDB's gross loan book.

### **Construction Equipment Loans (11% of Gross Loan Book)**

HDB offers financing for acquisition of new and used construction equipment, as well for refinancing of such equipment. The different types of equipment financed include earthmoving, mining, material handling, concrete and other allied construction equipment. Average ticket size for this product is ~Rs2mn and average tenor is around 3 years. CE Financing portfolio stood at ~Rs113bn as of March'25, ~11% of HDB's gross loan book.

## **Tractor Loans (3% of Gross Loan Book)**

HDB provides financing for tractors or tractor-related equipment for agricultural or commercial purposes. Average ticket size for this product is ~Rs0.32mn and average tenor is around 4 years. Tractor Financing portfolio stood at ~Rs30bn as of March'25, ~3% of HDB's gross loan book.

## **Consumer Durable / Digital Product / Lifestyle Product Loans (4% of Gross Loan Book)**

HDB provides financing to customers for buying of a) household appliances and durable goods, such as televisions, refrigerators, washing machines and air conditioners, b) digital products such as mobile phones, laptops, tablets and cameras and c) lifestyle product loans which includes furniture and high-end cooking ranges. HDB has partnerships with over 80 OEMs and over 140,000 retailers and dealer touchpoints. Average ticket size for this product is ~Rs14,000 and its average tenor is around 1 year.

## **Relationship Personal Loans (7.5% of Gross Loan Book)**

HDB cross-sells personal loans to existing customers in other products who have demonstrated consistent repayment history and ability to repay short-tenor loans, thus making them less risky and good candidates for unsecured loans. Average ticket size for this product is ~Rs50,000 and average tenor is around 2 years. RPL portfolio stood at ~Rs82bn as of March'25, ~7.5% of HDB's gross loan book.

## **Auto Loans (8% of Gross Loan Book)**

HDB provides financing for purchase of new or used cars. Average ticket size for this product is ~Rs0.43mn and average tenor is around 4 years. The portfolio stood at ~Rs84bn as of March'25, ~8% of HDB's gross loan book.

## **Two-Wheeler Loans (3% of Gross Loan Book)**

HDB offers financing to individuals for two-wheelers. Average ticket size for this product is ~Rs53,000 and average tenor is around 2 years. The portfolio stood at ~Rs33bn as of March'25, ~3% of HDB's gross loan book.

## **Micro Lending (0.5% of Gross Loan Book)**

HDB provides micro loans to customers under the JLG framework. This business was launched in FY20. Average ticket size for this product is ~Rs23,000 and average tenor is around 2 years. The portfolio stood at ~Rs6bn as of March'25, ~0.5% of HDB's gross loan book.

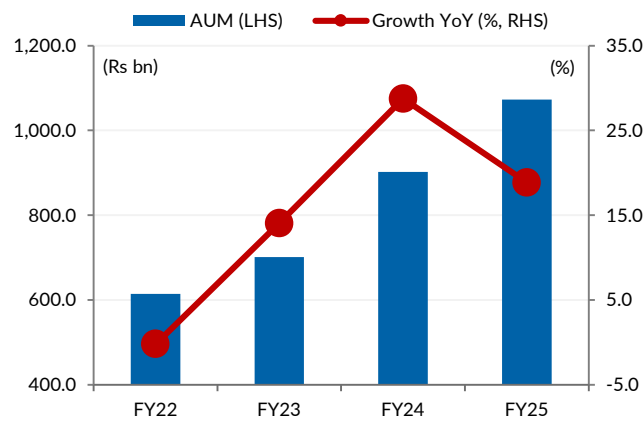
## Exhibit 3: Brief profile of Top Management

Name	Designation	Brief Profile
Mr. Ramesh Ganesan	MD & CEO	Mr. Ramesh joined the company in Sept 2007 and got elevated as MD and CEO in 2012 and was reappointed in 2017 and 2022. Mr. Ramesh has over 32 years of experience in business development, banking, consumer finance and operations and has prior associations with companies like, Countrywide Consumer Financial Services Limited, HDFC Bank Limited, Enam Asset Management Company Private Limited, Godrej & Boyce and Intelnet Global Services Private Limited.
Mr. Jaykumar Pravinchandra Shah	CFO	Mr. Jaykumar has been associated with the company since 2021 and comes with over 26 years of experience in the field of finance, investment management, accounting, taxation and auditing. His prior associations were with L&T Financial Services Limited, Royal Bank of Scotland, Sharp and Tannan, PricewaterhouseCoopers LLP across London, India and Singapore.
Mr. Srinivasan Karthik	Chief Business Officer (CBO)	Mr. Srinivasan has been associated with the Company since November 2015. Mr. Srinivasan brings with him over 22 years of experience in the field of operations, business development as well as corporate strategy. Mr. Srinivasan has been previously associated with companies like Mphasis Limited, Serco Global Services and Zeus System Private Limited.
Mr. Sarabjeet Singh	CBO (Lending business)	Mr. Singh has been associated with the Company since February 2008 and has overall experience of 29 years in retail lending and insurance distribution. His prior associations include GE Money Financial Services Limited and Gujarat Lease Financing Limited.
Mr. Harish Kumar Venugopal	Chief Risk Officer	Mr. Harish has been associated with the Company since Feb 2011. He has over 31 years of experience in risk management and mitigation, industry knowledge and decision making. Mr. Harish has previously worked with Citibank, CitiCorp Finance India Limited, Foremost Factors Limited, RPG Itochu Finance Limited, SRF Finance Limited and Consortium Finance and Leasing Limited.
Mr. Rohit Sudhir Patwardhan	Chief Credit Officer	Mr. Rohit has been associated with the Company since December 2007. He has over 20 years of experience in risk management, collections and collections strategy. Before his association with HDBFS, he had worked for Citi Bank Limited, GE Countrywide Financial Services Limited and Standard Chartered Bank in India.
Mr. Manish Tiwari	Head- CE and Micro Lending	Mr. Manish has been associated with the Company since September 2011 and comes with over 26 years of experience in financial service sector. He was previously associated with infrastructure financing division with Kotak Mahindra Bank and has worked with Mait Middle East and Larsen & Toubro Limited.
Mr. Marupudi Venkata Swamy	Chief Digital and Marketing Officer	Mr. Swamy has been associated with the Company since August 2008. He has over 20 years of experience in the field of digital marketing, product management, marketing strategy and data protection having previously been associated with ICICI Bank Limited as the assistant general manager.
Mr. Mathew Panat	Chief Technology Officer	Mr. Mathew has been associated with the Company since February 2021. He has over 30 years of experience in the field of application development, support and delivery, enterprise architecture, cyber security, and IT risk. His prior associations were with Tata Capital Financial Services Limited, CapGemini (erstwhile Patni) Computer Systems Limited, IDFC First Bank Limited, and Oracle India.
Mr. Ashish Vishwanath Ghatnekar	Chief – People & Operations	Mr. Ashish has been associated with the Company since December 2008. He has over 3 decades of experience in the field of human resources and operation management and has been previously associated with HDFC Bank, Datamatics Staffing Services and Fortis Financial Services.
Mr. Premal Vasant Brahmbhatt	Head-Internal Audit	Mr. Premal has been associated with the Company since January 2016. He has previously served AEON Credit Service India Private Limited, Swadhaar Finserve Private Limited, TATA AIA Life Insurance Company Limited, ABN AMRO Asia Equities India Limited.

Source: Company RHP, YES Sec

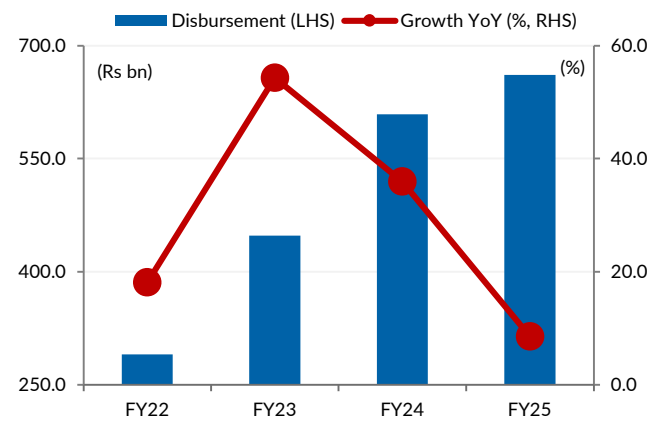
## KEY CHARTS

**Exhibit 4: Sustained growth in Gross Loan Book**



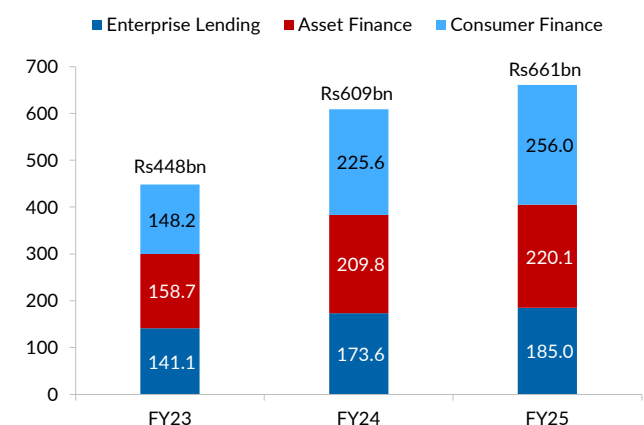
Source: RHP, Company, YES Sec

**Exhibit 5: Strong disbursements trajectory**



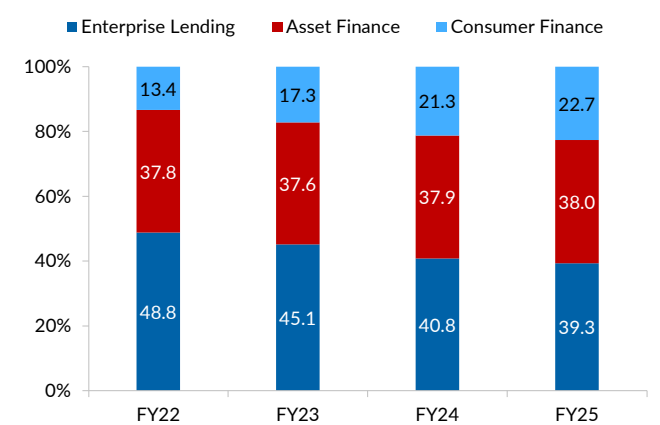
Source: RHP, Company, YES Sec

**Exhibit 6: Disbursements Break-up**



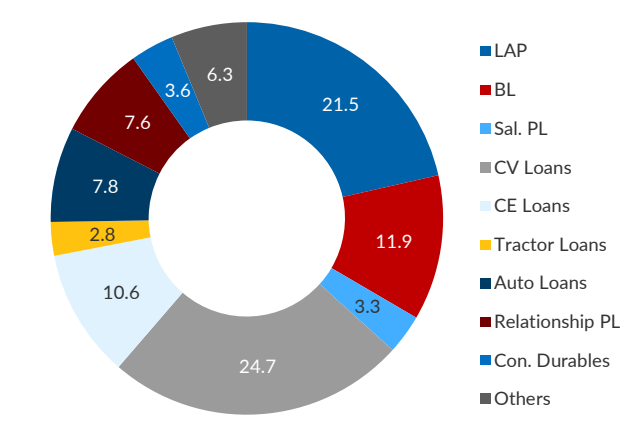
Source: RHP, Company, YES Sec

**Exhibit 7: Loan Book mix has shifted towards Cons. Fin**



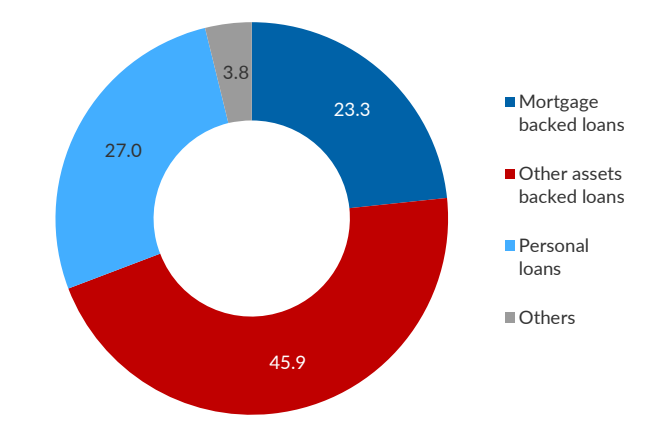
Source: RHP, Company, YES Sec

**Exhibit 8: Loan Products Contribution in the Book**



Source: RHP, Company, YES Sec

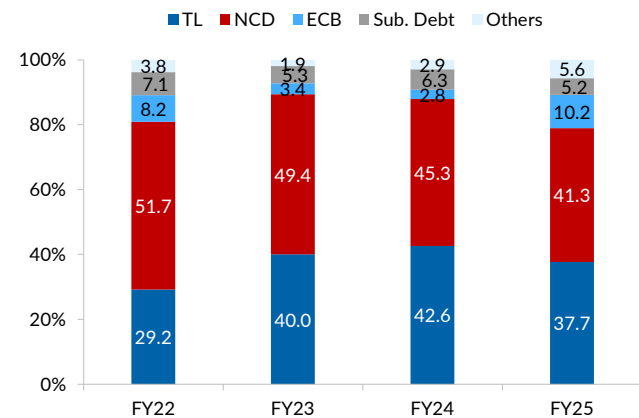
**Exhibit 9: Secured & Unsecured Mix**



Source: RHP, Company, YES Sec

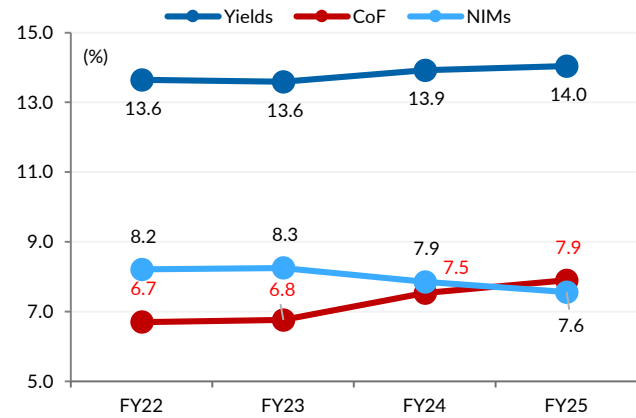


**Exhibit 10: Borrowing Mix**



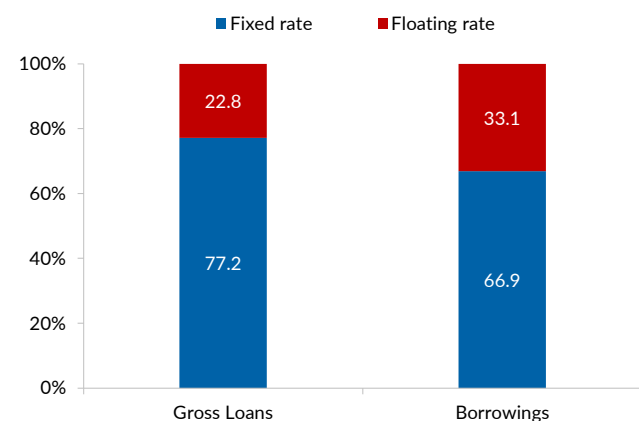
Source: RHP, Company, YES Sec

**Exhibit 11: NIM & Spread movement in recent years**



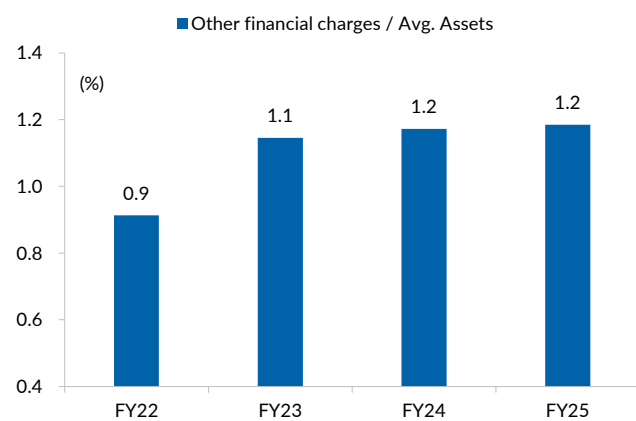
Source: RHP, Company, YES Sec

**Exhibit 12: Fixed/Floating Profile of Loans & Borrowings**



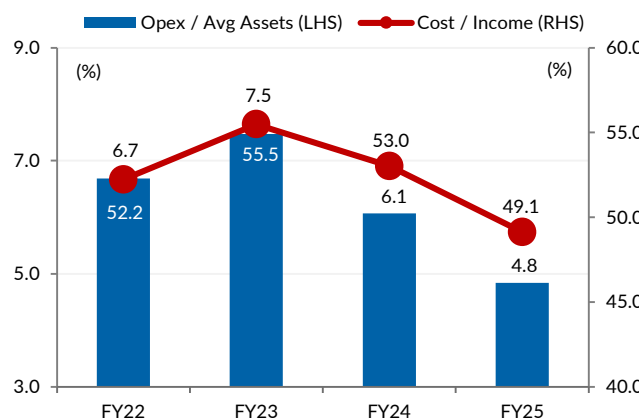
Source: RHP, Company, YES Sec

**Exhibit 13: Fees & Charges Trend**



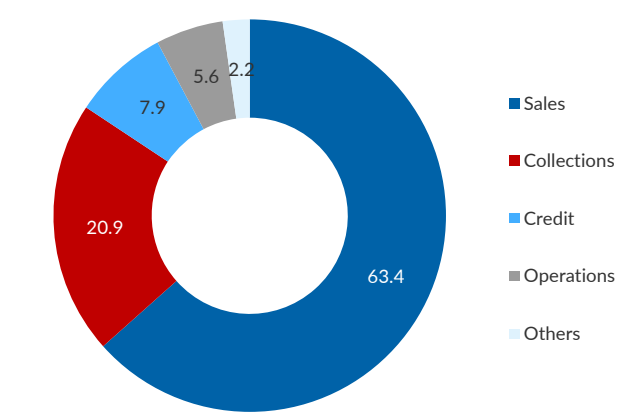
Source: RHP, Company, YES Sec

**Exhibit 14: Trend in Cost Metrics**



Source: RHP, Company, YES Sec

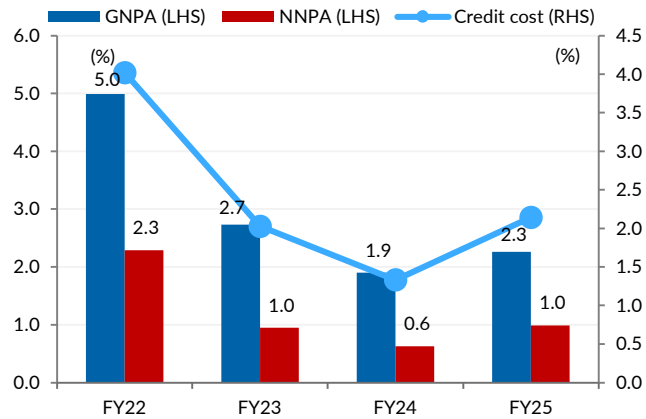
**Exhibit 15: Break-up of Employees**



Source: RHP, Company, YES Sec

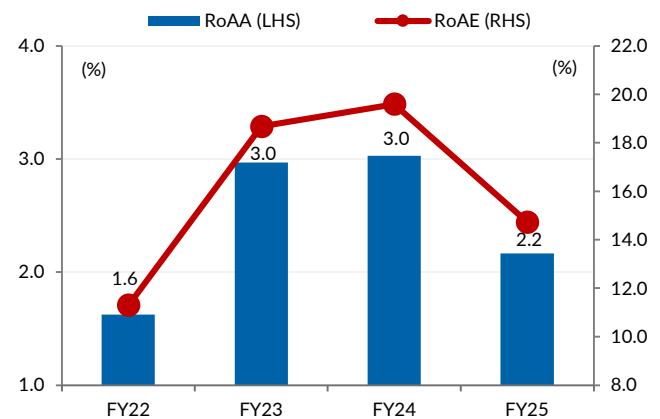


**Exhibit 16: Asset Quality performance**



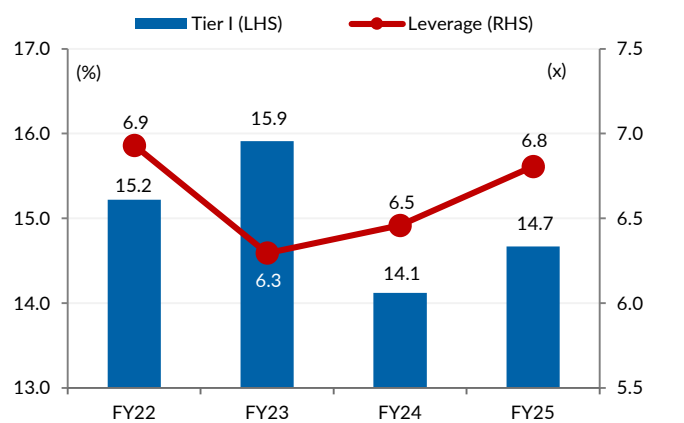
Source: RHP, Company, YES Sec

**Exhibit 17: Recent trends in Profitability Ratios**



Source: RHP, Company, YES Sec

**Exhibit 18: Capital Adequacy & Leverage**



Source: RHP, Company, YES Sec

## FINANCIALS

### Exhibit 19: Balance Sheet

Y/e 31 Mar (Rs m)	FY21	FY22	FY23	FY24	FY25
Equity Capital	7,892	7,904	7,914	7,931	7,958
Reserves	76,571	87,493	106,456	129,496	150,239
<b>Shareholder's funds</b>	<b>84,462</b>	<b>95,397</b>	<b>114,370</b>	<b>137,427</b>	<b>158,197</b>
Provisions	3,199	3,148	3,690	5,029	5,645
Deferred Tax Liabilities	1,731	597	420	587	657
Other Non-financial Liabilities	1,213	1,830	2,669	4,525	4,168
<b>Total non-financial liabilities</b>	<b>6,142</b>	<b>5,575</b>	<b>6,778</b>	<b>10,141</b>	<b>10,470</b>
Derivative financial instruments	427	0	0	48	21
Trade payables	3,343	2,469	2,918	5,090	4,527
Debt Securities	238,021	253,323	270,964	348,511	394,652
Borrowings (Other than Debt Sec.)	225,691	195,017	242,278	338,314	419,288
Subordinated liabilities	39,876	41,391	35,411	56,482	60,037
Other Financial Liabilities	28,449	27,087	27,784	29,553	39,441
<b>Total Financial liabilities</b>	<b>535,807</b>	<b>519,287</b>	<b>579,356</b>	<b>777,997</b>	<b>917,966</b>
<b>Total Equities and Liabilities</b>	<b>626,411</b>	<b>620,259</b>	<b>700,504</b>	<b>925,565</b>	<b>1,086,633</b>
<b>Assets</b>					
Cash and Cash Equivalents	7,535	4,772	3,959	6,479	9,505
Bank balances	2,229	2,068	2,579	547	338
Derivative financial instruments	0	1,324	1,653	19	1,080
Receivables	1,173	1,418	658	1,246	2,252
Loans	586,014	571,625	663,827	867,213	1,033,430
Investments in Associates	15,929	22,335	12,433	33,803	20,601
Other Financial Assets	2,492	329	349	395	477
<b>Total Financial assets</b>	<b>615,373</b>	<b>603,871</b>	<b>685,457</b>	<b>909,701</b>	<b>1,067,683</b>
Property, Plant and Equipment	915	781	1,224	1,625	2,431
Deferred tax assets (Net)	7,300	10,512	10,009	9,400	8,832
Current tax assets (Net)	569	133	251	413	769
Other Intangible Assets	2,254	2,145	2,647	3,487	4,920
Other Non-Financial Assets	0	2,817	917	940	1,998
<b>Total non-financial assets</b>	<b>11,038</b>	<b>16,388</b>	<b>15,047</b>	<b>15,864</b>	<b>18,950</b>
<b>Total Assets</b>	<b>626,411</b>	<b>620,259</b>	<b>700,504</b>	<b>925,565</b>	<b>1,086,633</b>

Source: RHP, Company, YES Sec

## Exhibit 20: Income Statement

Y/e 31 Mar (Rs m)	FY21	FY22	FY23	FY24	FY25
Income from Operations	109,448	113,063	124,029	141,711	163,003
Interest expense	(38,829)	(33,255)	(35,119)	(48,643)	(63,902)
Net interest income	70,619	79,808	88,910	93,068	99,101
Total op income	70,619	79,808	88,910	93,068	99,101
Total op expenses	(34,924)	(41,675)	(49,332)	(49,347)	(48,693)
<b>PPoP</b>	<b>35,695</b>	<b>38,133</b>	<b>39,578</b>	<b>43,721</b>	<b>50,408</b>
Provisions	(30,688)	(24,657)	(13,304)	(10,674)	(21,130)
Profit before tax	5,007	13,476	26,274	33,047	29,278
Taxes	(1,092)	(3,362)	(6,681)	(8,438)	(7,519)
<b>Net profit</b>	<b>3,915</b>	<b>10,114</b>	<b>19,594</b>	<b>24,608</b>	<b>21,759</b>

Source: RHP, Company, YES Sec

## Exhibit 21: Growth and Ratio matrix

Y/e 31 Mar	FY22	FY23	FY24	FY25
<b>Growth matrix (%)</b>				
Net interest income	13.0	11.4	4.7	6.5
Total op income	13.0	11.4	4.7	6.5
Op profit (pre-provision)	6.8	3.8	10.5	15.3
Net profit	158.4	93.7	25.6	(11.6)
Loans	(2.5)	16.1	30.6	19.2
Borrowings + Debt	(3.3)	14.5	33.8	18.5
Total assets	(1.0)	12.9	32.1	17.4
<b>Profitability Ratios (%)</b>				
NIM	13.0	13.5	11.6	10.0
Non-int income/Total income	0.0	0.0	0.0	0.0
Return on Avg Equity	11.2	18.7	19.5	14.7
Return on Avg Assets	1.6	3.0	3.0	2.2
<b>Per share ratios (Rs)</b>				
EPS	12.8	24.8	31.0	27.3
ABVPS	104.1	136.5	166.4	185.9
DPS	1.0	2.0	3.0	3.0
<b>Other key ratios (%)</b>				
Loans/Borrowings	127.5	129.3	126.3	127.0
Cost/Income	52.2	55.5	53.0	49.1
Gross Stage 3 (%)	5.0	2.7	1.9	2.3
Credit Cost	4.0	2.0	1.3	2.1
Tax rate	24.9	25.4	25.5	25.7

Source: RHP, Company, YES Sec

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