

September 03, 2024

IPO NOTE | Sector: Financials

Bajaj Housing Finance Ltd.

An HFC to Own

Second largest, fast growing, most diversified and profitable

With an AUM of Rs971bn as of June 30th 2024, Bajaj Housing Finance (BHFL) is the second largest HFC in the country and is owned 100% by Bajaj Finance. BHFL's AUM has witnessed a CAGR of 33% in past three fiscals with stable underwriting metrics. Notably, franchise diversity has increased reflected in a) significant increase in contribution of LRD and Developer Finance, 2) increase in share of SENP customers within Home Loan and LAP portfolios, and 3) broadening of borrowing mix with improved share of NHB refinance and NCDs. Strong growth along with focus on improving direct sourcing of Home Loans and increase in ATS across products has bettered Opex/Asset ratio in recent years. The shift in AUM/Product mix helped BHFL in limiting the impact of a sharp rise in funding cost on the portfolio spread. Prudent customer/project selection and robust underwriting, portfolio/risk management and collection framework underpins a marginal delinquent pool (lowest among HFCs) and a negligible credit cost (even as Stage 2/3 coverage was strengthened). Improvement in cost efficiencies and credit cost and increase in leverage drove RoE to 15%+ in FY24.

Evolving strategy for growth

Home loan business strategy is predicated on a micro-market approach, aimed at deepening market penetration by capitalizing on developer finance funded projects and nurturing existing developer finance relationships. BHFL has been increasing retail home loan presence directly at developer counters and expanding reach by onboarding new APF partners outside the developer finance ecosystem. Expanding customer profile to cover SENP segment has been driving growth too in recent years. Launch of a new near-prime and affordable home loan product for first-time home buyers from lower income segment would further widen growth base. Growth of LAP portfolio is driven by onboarding of new intermediaries, improving engagement/business share with existing ones, and cross-selling to current salaried customers.

Substantial growth in LRD book has been underpinned by broadening of geographic footprint and diversification of product suite (warehousing and industrial properties). The introduction of commercial construction finance in FY22 also supplemented LRD growth by not only broadening the sourcing mix but also fostering a synergistic ecosystem through backward integration. Developer financing strategy has been to widen customer base, deepen existing relationships and geographical expansion with an approach to onboard micro-market, regional as well as national developers.

Strong asset quality guardrails

BHFL has an in-house four-tier collections infrastructure comprising tele-calling, field collection, legal recovery, and settlement. As on March 31st 2024, the collections team was of 356 personnel comprising a specialized team to manage overdue collections and a separate team focusing on resolution of cases through SARFAESI. Collection efficiency stood at 99.5% in FY24 and 30+ dpd pool stood at just 60 bps at year-end. Company has well-defined credit evaluation framework and underwriting process to ensure that risk performance across all products remain within the defined thresholds. Focus on prime home loan segment (ATS of Rs4.6mn at origination), stronger credit profiles (higher bureau scores and incomes) and safer properties (developer financing and APF relationships) underpin robust asset quality in home loans portfolio. Emphasis on self-occupied residential properties as collateral, keeping origination LTV near 55% and cash flow backed lending underscores a lower risk profile of the LAP portfolio.

BHFL is coming with an IPO of Rs65.6bn which includes an OFS of Rs30bn by Bajaj Finance. As per market sources, the co. could be valued/priced near Rs600bn on post-money basis in the IPO. Significant value could get added over next 12-15 months as 25-30% AUM/Earnings growth and 14-15% RoE is likely in next couple of years. Key strengths of BHFL are growth execution, risk management and operating efficiencies.

Financial Summary

(Rs mn)	FY22	FY23	FY24
Op. income	37,667	56,647	76,173
PPOP	11,409	18,236	22,222
Net profit	7,096	12,578	17,312
Growth (%)	56.6	77.2	37.6
EPS (Rs)	1.5	1.9	2.6
ABVPS (Rs)	13.7	15.6	18.1
P/E (x)	-	-	-
P/ABV (x)	-	-	-
ROAE (%)	11.1	14.6	15.2
ROAA (%)	1.6	2.2	2.4

Management Team

Mr. Atul Jain	MD
Mr. Niraj Adiani	EVP- Risk
Mr. Jasminder Singh Chahal	President- HL
Mr. Amit Sinha	EVP- HL
Mr. Brij Kumar	CBO - HL
Mr. Vipin Arora	EVP - CRE & LAP
Mr. Dushyant Poddar	EVP - Dev. Finance
Mr. Kumar Gaurav	EVP - DMS
Mr. Alankrit Atal	SBH-PQM
Mr. Naman Agarwal	Head-Corp. Audit
Mr. Gagandeep Malhotra	Head - Credit & Op.
Mr. Gaurav Kalani	CFO

RAJIV MEHTA

Lead Analyst

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MANUJ OBEROI, Associate

COMPANY BACKGROUND

Bajaj Housing Finance Limited (BHFL) is registered as a non-deposit taking housing finance company with the National Housing Bank (NHB) since September 2015, to carry the business of housing finance. From a modest beginning in July 2017, BHFL today is the second largest HFC with an AUM of Rs971bn, having grown its AUM at a CAGR of 71.7% over FY18-24. BHFL enjoys the patronage of seasoned management team, strong parentage (part of Bajaj group and 100% subsidiary of Bajaj finance) and highest credit ratings of AAA/Stable.

BHFL has the most diversified mortgage product suite of home loans, LAP, LRD and developer finance forming 57.8%, 10.5%, 19.3% and 10.5% respectively, marketed through a network of 215 branches across 20 states and 3 UTs. Notably, within housing loans, company has focus on customers having CIBIL score of 750+ (75.8% of home loan AUM) with salaried, self-employed professionals and self-employed non-professionals forming 87.5%, 4.3% and 8.2% of home loan AUM respectively. Stage 3 assets for FY22, FY23, FY24 and Q1FY25 at 0.3%, 0.2%, 0.3% and 0.3% respectively is a testimony of its stringent underwriting standards, comprehensive monitoring, and prudent risk management practices.

Moving ahead, BHFL plans to increase its market share through deepening relationship with existing customers, onboarding new customers and expanding to newer geographies to build granular portfolio with reduced concentration risk.

Exhibit 1: Brief profile of Top Management

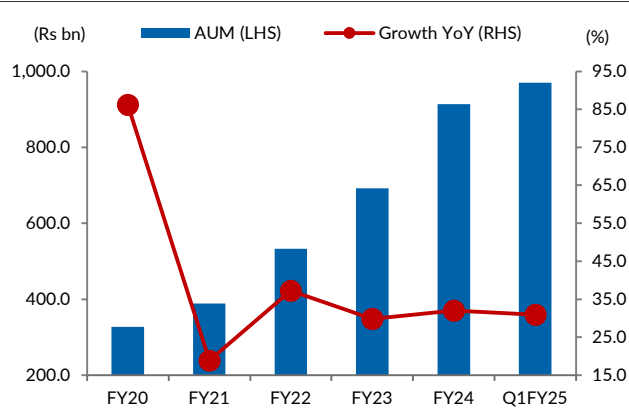
Name	Designation	Brief Profile
MR. ATUL JAIN	Managing Director	Mr. Atul Jain took over as the Managing Director of Bajaj Housing Finance in 2022 after serving as the CEO of the Company for four years. Over the last decade, he led key portfolios in Bajaj Finance Limited as Chief Collections Officer and Enterprise Risk Officer before taking over the reins of Bajaj Housing Finance Limited. Mr. Atul is an MBA in Finance.
MR. JASMINDER SINGH CHAHAL	President - Home Loans	Mr. Jasminder Singh has joined Bajaj Housing Finance on August 19, 2024. He was previously associated with ICICI Personal Financial Services Company Limited. Mr. Jasminder holds a postgraduate diploma in management from Symbiosis Institute of Management Studies, Pune.
MR. AMIT SINHA	Executive Vice President - Home Loans	Mr. Amit has been associated with the Bajaj Group for more than 14 years and is responsible for home loans and B2C functions at BHFL. Mr. Amit holds a B. Com Degree from Delhi University and a Post Graduate Program in Management from IMT Ghaziabad.
MR. BIRAJ KUMAR MISHRA	CBO - Home Loans	Mr. Biraj is the Chief Business Officer - Home Loans since 2022 and is responsible for the Home Loan - B2B function. Mr. Biraj was previously associated with HDFC Bank Limited. Mr. Biraj holds a post graduate diploma in management from Institute of Business Administration and Training, Bhubaneswar.
MR. PAWAN BHANSALI	Senior Executive VP - Near Prime and affordable business	Mr. Pawan joined Bajaj Housing Finance in the year 2024 as the Senior Executive Vice President - Near Prime and Affordable Business. He also oversees the Rural and Emerging Business units. At BHFL, he is at the helm of the strategic business unit that encompasses Near Prime and Affordable Housing, overseeing strategy, planning, and execution. Mr. Pawan has previously worked with ICICI Home Finance Company Limited as the Chief Distribution Officer. He is a Chartered Accountant and a Company Secretary by qualification.
MR. VIPIN ARORA	Executive VP - CRE & LAP	Mr. Vipin Arora was appointed as the Executive Vice President for Commercial Real Estate (CRE) and Loan Against Property (LAP) in 2023. Mr. Vipin was the Group Business Head for the CRE and Affordable Housing verticals at Bajaj Housing Finance. In August 2022, he also took over the Retail Loan Against Property vertical. Mr. Vipin has previous stints with ICICI Bank, Deutsche Post Bank HFC, Reliance Capital, and Dhanlaxmi Bank, apart from the Bajaj Group Companies. Mr. Vipin is a seasoned mortgage professional with over 19 years of experience in Sales and Underwriting.
MR. DUSHYANT PODDAR	Executive VP - Developer Finance	Mr. Dushyant joined the company in 2018 and is responsible for the Developer Finance function. His previous stint was with Citibank, N.A. Mr. Dushyant holds a post graduate diploma in management from Indian Institute of Management, Indore and is a chartered accountant.
MR. NIRAJ ADIANI	Executive VP - Risk	Mr. Niraj is a Chartered Accountant with over 16 years of experience in the BFSI sector and commands expertise in the fields of banking, credit analysis and risk, decision support, and mortgages. Mr. Niraj was previously associated with ICICI Bank and HDFC Bank.

Name	Designation	Brief Profile
MR. KUMAR GAURAV	<i>Executive VP - Debt Management</i>	Mr. Gaurav started with Bajaj Finance Limited in the Personal and Business Loan vertical and during the course had also worked in the Loan Against Property and Mortgage Collections verticals and was made the Collections Head in 2016. Mr. Gaurav in his current role steers a team of nearly 500 team-members. Mr. Gaurav is an IIM Alumnus and has completed his B. Com (Hons) from Delhi University and holds two MBAs.
MR. ALANKRIT ATAL	<i>Senior Business Head - Pre-Qualified Mortgages</i>	Mr. Alankrit has joined in 2019 and is responsible for the Pre-Qualified Mortgages function of the Company. Mr. Alankrit was previously associated with Barclays Investments & Loans (India) Limited. Mr. Alankrit holds a bachelor's degree in business administration from the University of Rajasthan.
MR. NAMAN AGARWAL	<i>Head of Corporate Audit Services</i>	Mr. Naman Agarwal heads the company's internal audit function having overlooked critical aspects under the Risk vertical in the past. Mr. Naman is a Bajaj veteran with over 12 years of experience in the group. Mr. Naman is a Chartered Accountant with over 18 years of experience in the Mortgages sector and had worked with ICICI Bank and Indiabulls in the past.
MR. GAGANDEEP MALHOTRA	<i>Chief - Credit and Operations</i>	Mr. Gagandeep heads the Credit and Operations department at Bajaj Housing Finance, managing the Residential and Commercial Real Estate portfolio involving lending to Developers and HNIs. Mr. Gagandeep also oversees Construction Finance, Lease Rental Discounting, and Loan Against Property. Mr. Gagandeep has in the past had worked at strategic and top-leadership positions with Citibank. Mr. Gagandeep is a B.Tech in Electronics and Comm. from NIT, Kurukshetra and holds an MBA in Finance and Marketing from IIT Kanpur.
MR. GAURAV KALANI	CFO	Mr. Gaurav Kalani took over as the Chief Financial Officer of Bajaj Housing Finance in 2018 and is a Bajaj veteran, having spent nearly 15 years with the Group. Mr. Gaurav began his career with Bajaj Auto in 2003 before moving to Bajaj Finserv and thereafter moved to Bajaj finance in 2011 to head product businesses such as Home Loans and Loans Against Property, along with Management Reporting. Mr. Gaurav is a Chartered Accountant with over 20 years of experience in the sector.
MR. ATUL PATNI	<i>CS and Compliance Officer</i>	Mr. Atul Patni is the Company Secretary and Compliance Officer of the Company since 2022 and is responsible for the Secretarial function of the Company. Mr. Atul has over 13 years of experience in the financial sector and was previously associated with AU Small Finance Bank Limited and with IDBI Bank Limited. Mr. Atul is a fellow member of the Institute of Company Secretaries of India. He also holds a post graduate diploma in securities law from Government Law College, Mumbai.
MR. AMIT KUMAR YADAV	<i>Chief Compliance Officer</i>	Mr. Amit before moving to Bajaj Housing Finance in 2022, oversaw various Compliance frameworks in the insurance and sales verticals, among others, during his six-year tenure at Bajaj Finance Limited. Mr. Amit comes with an experience of over 19 years and had taken up numerous notable Compliance Regulatory roles. His expertise includes Regulatory Insurance and Sales Compliance, Fraud Control, and Internal Audits. Mr. Amit is a Business Economics (Hons) graduate from the Delhi University and had earlier worked for American Express, Max Life Insurance, and Pramerica Life Insurance.

Source: Company, YES Sec

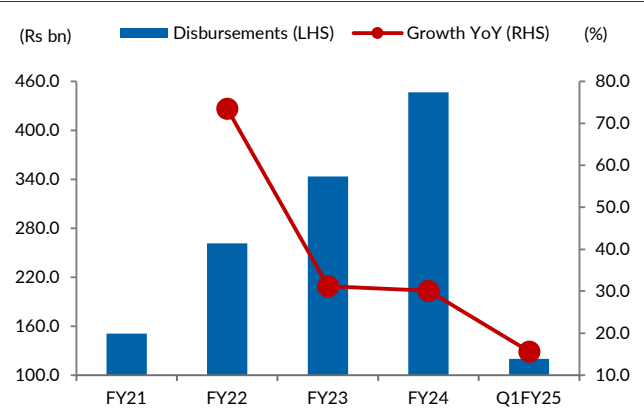
STORY IN CHARTS

Exhibit 2: 29.3% AUM CAGR over FY20-24



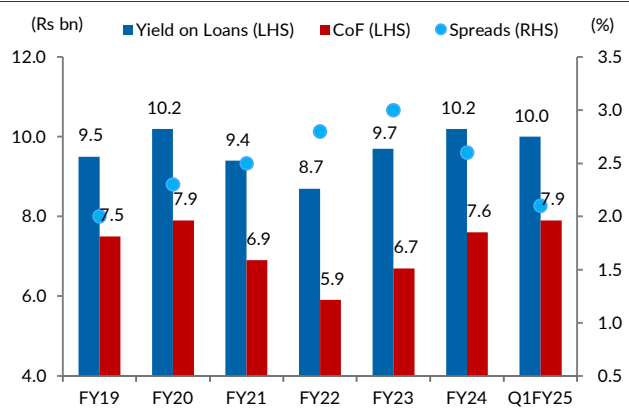
Source: RHP, Company, YES Sec

Exhibit 3: 43.6% disbursements CAGR over FY21-24



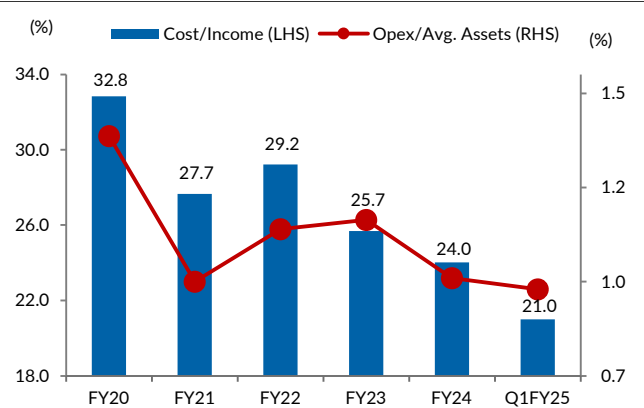
Source: RHP, Company, YES Sec

Exhibit 4: Spreads have improved over longer term



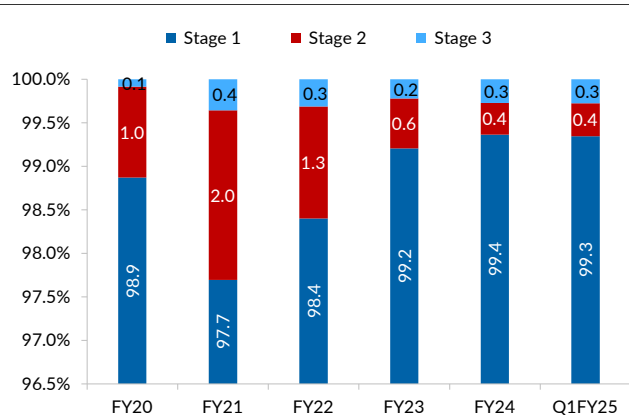
Source: RHP, Company, YES Sec

Exhibit 5: Improving cost ratios with scale



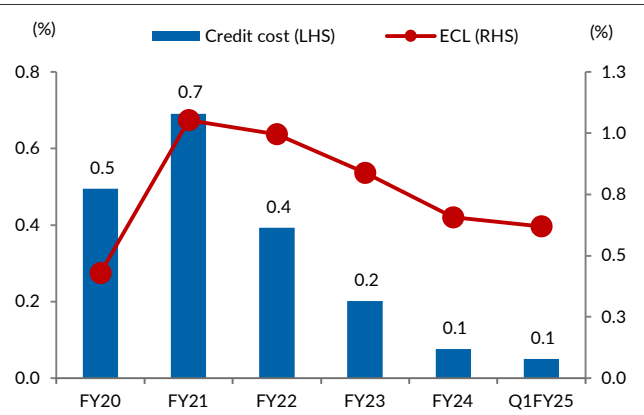
Source: RHP, Company, YES Sec

Exhibit 6: Pristine Asset Quality



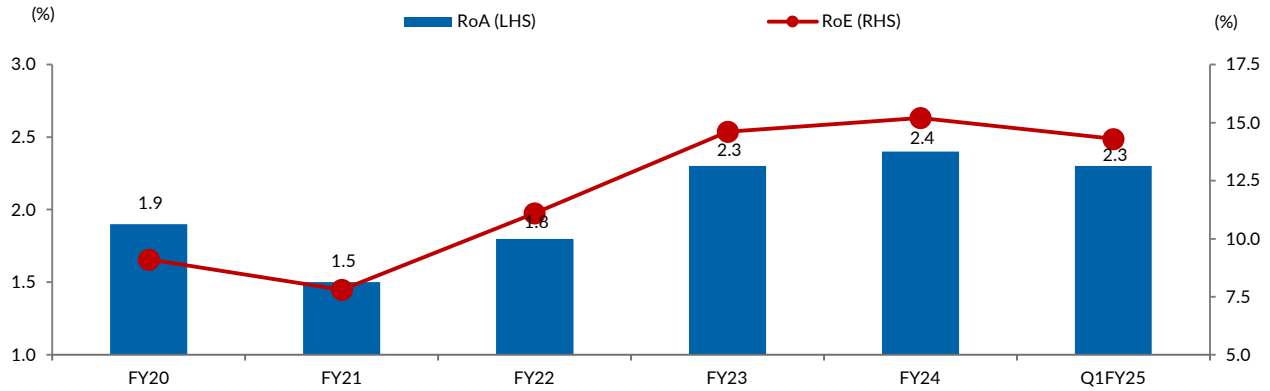
Source: RHP, Company, YES Sec

Exhibit 7: Marginal credit cost under stable conditions



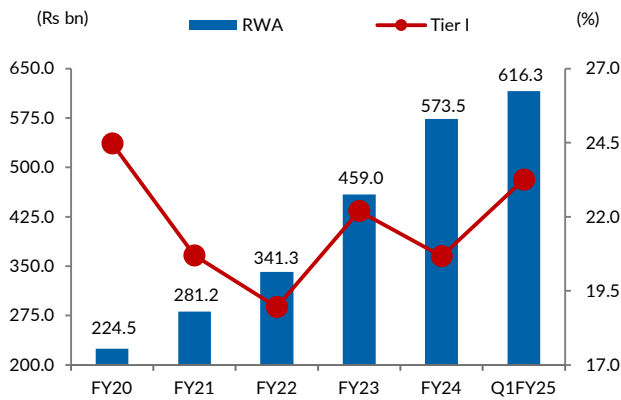
Source: RHP, Company, YES Sec

Exhibit 8: RoE has improved substantially over the past three years



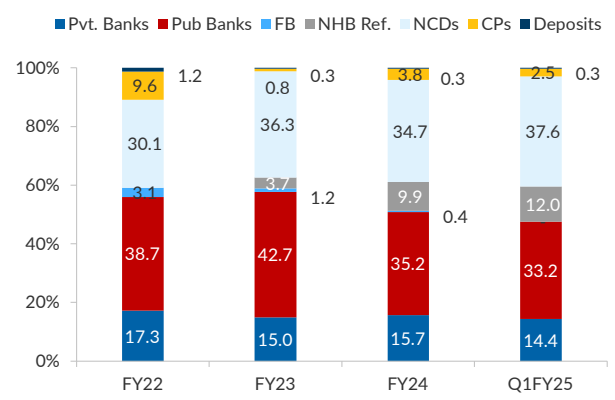
Source: RHP, Company, YES Sec

Exhibit 9: Maintained strong capital position



Source: RHP, Company, YES Sec

Exhibit 10: Diversified the borrowing mix



Source: RHP, Company, YES Sec

Exhibit 11: Product-wise AUM Composition

Products (Rs mn)	FY22		FY23		FY24		Q1FY25	
	AUM	Mix (%)	AUM	Mix (%)	AUM	Mix (%)	AUM	Mix (%)
Home Loans	3,45,449	64.8	4,27,069	61.7	5,28,196	57.8	5,58,100	57.5
LAP	74,053	13.9	78,169	11.3	95,679	10.5	96,820	10.0
LRD	68,694	12.9	1,12,595	16.3	1,76,368	19.3	1,89,700	19.5
Dev. Finance	28,987	5.4	56,693	8.2	95,993	10.5	1,08,460	11.2
Other loans	16,035	3.0	17,754	2.6	17,467	1.9	17,630	1.8
Total	5,33,217	100.0	6,92,279	100.0	9,13,704	100.0	9,70,710	100.0

Source: RHP, Company

Exhibit 12: ECL Summary

Particulars	FY22			FY23			FY24		
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
GCA (mn)									
Home Loans	2,98,871	3,736	870	3,91,801	2,028	824	4,89,994	1,615	1,314
LAP	61,516	2,055	516	57,924	1,375	459	77,930	1,174	539
LRD	56,554	17	-	96,843	-	-	1,11,220	-	-
Dev. Finance	29,074	6	11	57,068	73	0	96,620	5	141
Other loans	15,981	223	68	17,784	124	90	17,428	107	162
Total	4,61,996	6,037	1,464	6,21,420	3,599	1,373	7,93,193	2,900	2,156
ECL Prov. (mn)									
Home Loans	1,518	830	484	1,981	454	534	1,226	380	811
LAP	412	391	254	421	277	276	470	259	335
LRD	320	2	-	619	-	-	759	-	-
Dev. Finance	213	1	11	429	19	0	668	1	104
Other loans	134	57	46	147	34	63	69	36	124
Total	2,598	1,282	795	3,597	784	873	3,192	676	1,374
Coverage (%)									
Home Loans	0.5	22.2	55.6	0.5	22.4	64.9	0.3	23.5	61.7
LAP	0.7	19.0	49.3	0.7	20.2	60.0	0.6	22.1	62.2
LRD	0.6	13.3	-	0.6	-	-	0.7	-	-
Dev. Finance	0.7	20.3	100.0	0.8	25.7	66.7	0.7	20.0	73.8
Other loans	0.8	25.5	67.9	0.8	27.5	70.3	0.4	33.7	76.7
Total	0.6	21.2	54.3	0.6	21.8	63.6	0.4	23.3	63.7

Source: RHP, Company

Exhibit 13: Geographical Mix

States	Branches (No.)			AUM mix (%)			Disbursement mix (%)		
	FY22	FY23	FY24	FY22	FY23	FY24	FY22	FY23	FY24
MH	56	56	55	30.5	31.0	31.5	30.8	30.8	32.0
KAR	20	20	20	21.6	22.1	23.0	20.7	25.7	24.8
TEL	8	10	12	14.5	15.4	14.8	16.6	14.7	12.9
GUJ	29	29	29	7.6	7.6	8.0	8.3	7.9	9.4
Delhi	6	7	6	9.8	8.5	7.7	10.4	8.2	7.0
TN	13	13	11	7.2	6.4	5.4	5.1	4.1	3.8
Others	69	73	82	8.8	9.0	9.6	8.1	8.6	10.1
Total	201	208	215	100.0	100.0	100.0	100.0	100.0	100.0

Source: RHP, Company

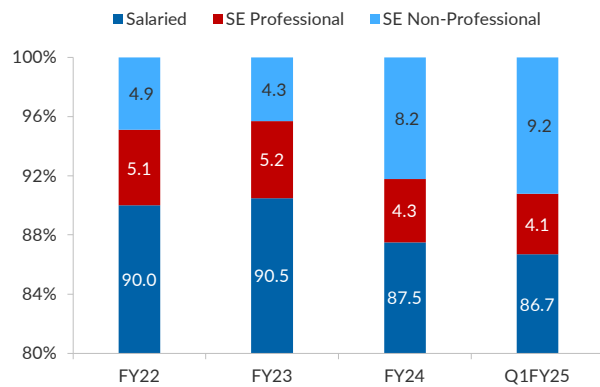
PRODUCT PROFILE

Exhibit 14: Home Loan Metrics

Particulars	FY22	FY23	FY24	Q1FY25
ATS (At Origination, Rs mn)	4.2	4.6	4.6	4.6
LTV (%)	71.1	71.3	70.5	69.3
Tenure (No. of months)	214.0	309.0	284.0	269.0
Avg. Customer salary (Rs mn)	1.2	1.3	1.3	1.4

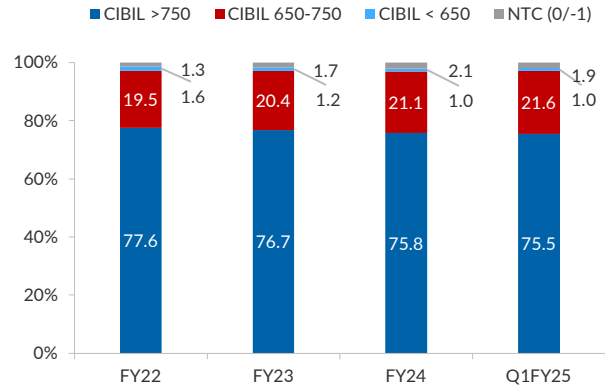
Source: RHP, Company

Exhibit 15: Home Loans AUM - Customer Segmentation



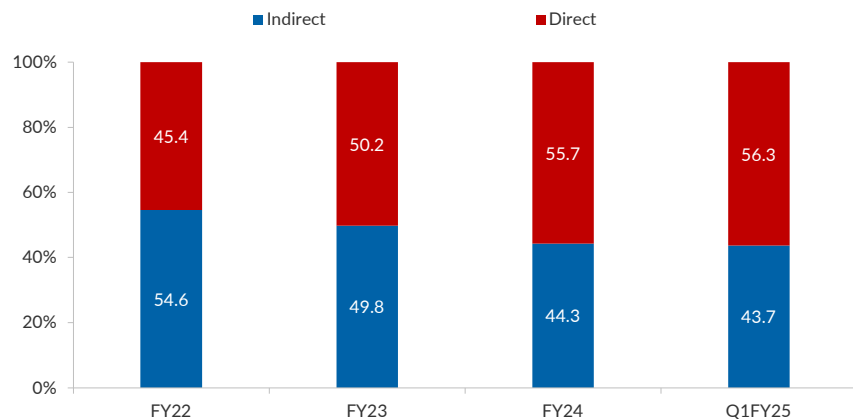
Source: RHP, Company

Exhibit 16: Home Loans AUM - CIBIL Score



Source: RHP, Company

Exhibit 17: Home Loans AUM - Sourcing Channels



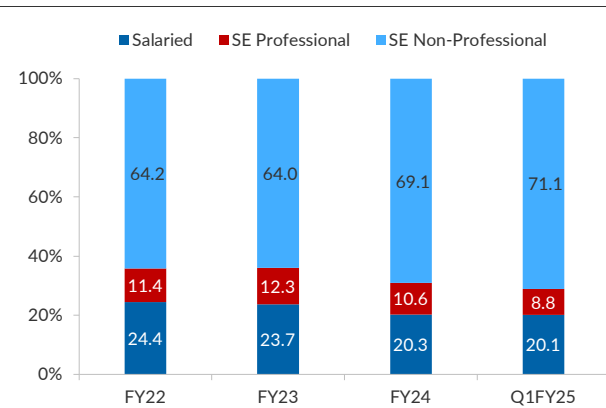
Source: RHP, Company

Exhibit 18: LAP Metrics

Particulars	FY22	FY23	FY24	Q1FY25
ATS (At Origination, Rs mn)	4.3	4.9	5.8	5.9
LTV (%)	56.6	52.8	55.1	53.0
Tenure (No. of months)	127.0	147.0	155.0	153.0
Self-Occupied Residential Property (%)	72.5	71.2	71.2	71.4

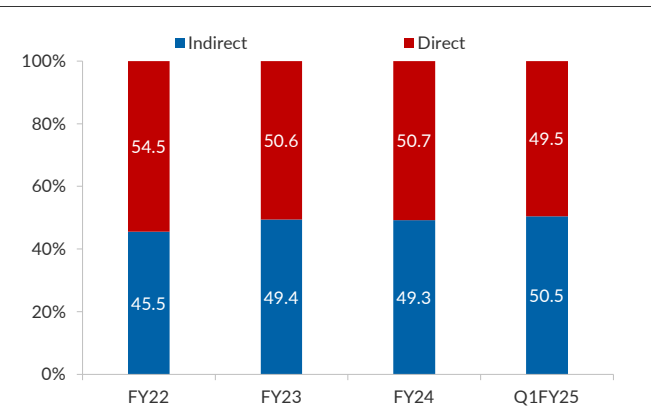
Source: RHP, Company

Exhibit 19: LAP AUM - Customer Segmentation



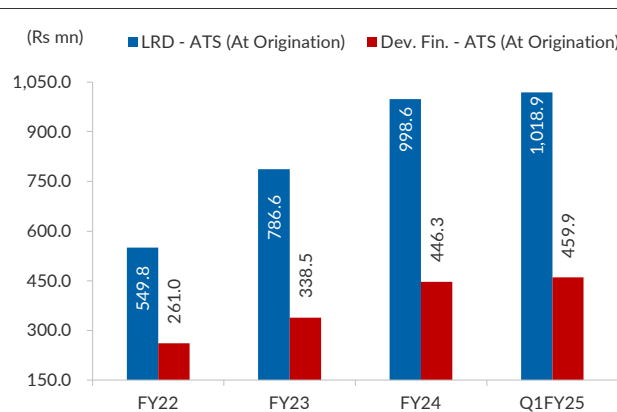
Source: RHP, Company

Exhibit 20: LAP AUM - Sourcing Channels



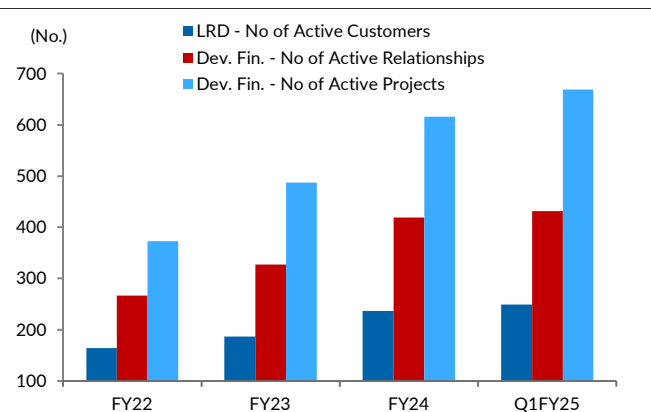
Source: RHP, Company

Exhibit 21: LRD and Developer Finance ATS trend



Source: RHP, Company

Exhibit 22: LRD and Developer Finance Relationships



Source: RHP, Company

PEER COMPARISON

Exhibit 23: Key Performance Indicators

Particulars	AUM	AUM CAGR	Disb.	HL - ATS	HL - LTV	AUM Mix (%)		AUM Mix (%)		
	(Rs bn)	(FY18-24, %)	(Rs bn)	(Rs mn)	(%)	Sal.	SE	HL	LAP	Others
Housing Finance										
Bajaj Housing Finance	914	71.7	447	4.6	70.5	87.5	12.5	57.8	10.5	31.7
LIC Housing Finance	2,868	9.4	589	2.9	52.0	88.0	12.0	85.1	10.0	4.9
Can Fin Homes	350	14.2	82	2.5	-	72.0	28.0	78.0	10.0	12.0
PNB Housing Finance	654	10.2	176	2.9	-	60.8	39.2	69.7	27.3	3.0
Affordable Housing										
Aavas Financiers	173	27.3	56	1.0	-	40.2	59.8	69.3	13.7	17.0
Aptus Value Housing	87	35.4	31	1.0	-	29.0	71.0	60.0	16.0	24.0
Aadhar Housing Fin.	211	17.6	71	-	-	57.0	43.0	74.9	25.1	-
Home First Finance	97	38.8	40	1.2	55.6	68.0	32.0	86.0	13.0	1.0

Particulars	Yields (%)		CoF (%)		Spreads (%)		NIMs (%)		Opex (%)	
	FY23	FY24	FY23	FY24	FY23	FY24	FY23	FY24	FY23	FY24
Housing Finance										
Bajaj Housing Finance	9.7	10.2	6.7	7.6	3.0	2.6	4.5	4.1	1.2	1.0
LIC Housing Finance	8.8	9.9	6.9	7.4	1.9	2.5	2.5	3.2	0.4	0.4
Can Fin Homes	9.4	10.6	6.3	7.3	3.1	3.3	3.6	3.9	0.6	0.8
PNB Housing Finance	10.9	11.0	7.3	7.8	3.6	3.2	4.6	4.5	0.9	1.0
Affordable Housing										
Aavas Financiers	13.5	13.6	6.6	7.5	6.9	6.1	9.9	9.4	4.4	4.3
Aptus Value Housing	17.4	16.4	8.3	8.7	9.1	7.7	14.0	12.5	2.7	2.5
Aadhar Housing Fin.	13.8	14.8	7.0	7.6	6.8	7.2	9.3	10.0	3.3	3.5
Home First Finance	14.0	14.5	7.3	8.3	6.7	6.2	9.5	9.3	3.4	3.3

Particulars	Credit cost (%)		RoAA (%)		RoAE (%)		Leverage (x)	
	FY23	FY24	FY23	FY24	FY23	FY24	FY23	FY24
Housing Finance								
Bajaj Housing Finance	0.2	0.1	2.3	2.4	14.6	15.2	6.2	6.7
LIC Housing Finance	0.8	0.6	1.1	1.7	11.2	16.3	10.3	9.3
Can Fin Homes	0.1	0.2	2.2	2.3	18.5	18.8	9.1	8.4
PNB Housing Finance	1.2	0.3	1.9	2.5	10.2	11.8	6.1	4.8
Affordable Housing								
Aavas Financiers	0.1	0.2	4.2	3.9	14.2	13.9	4.1	4.4
Aptus Value Housing	0.6	0.3	8.2	7.5	14.5	14.7	2.1	2.2
Aadhar Housing Fin.	0.4	0.3	4.2	4.9	15.9	18.4	4.5	4.3
Home First Finance	0.4	0.4	4.4	4.3	13.5	15.5	3.7	4.5

Source: RHP, Company, YES Sec

Exhibit 24: Borrowing Mix

Sources	TL	NCD	NHB	CP	ICD / Deposits	Others
Housing Finance						
Bajaj Housing Finance	51.3	34.7	9.9	3.8	0.3	-
LIC Housing Finance	34.0	52.0	4.0	5.0	4.0	1.0
Can Fin Homes	59.0	17.0	16.0	7.0	-	1.0
PNB Housing Finance	40.2	9.6	9.2	6.0	32.3	2.6
Affordable Housing						
Aavas Financiers	47.5	9.0	19.6	-	-	23.9
Aptus Value Housing	63.0	5.0	24.0	-	-	8.0
Aadhar Housing Finance	55.0	20.0	25.0	-	-	-
Home First Finance	62.0	3.0	18.0	-	-	17.0

Source: RHP, Company

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Exhibit 25: Balance Sheet

Y/e 31 Mar (Rs m)	FY20	FY21	FY22	FY23	FY24
Equity Capital	48,833	48,833	48,833	67,122	67,122
Reserves	7,018	11,489	18,580	37,910	55,213
Shareholder's funds	55,851	60,322	67,414	1,05,032	1,22,335
Provisions	23	23	41	156	356
Deferred Tax Liabilities	114	0	0	283	0
Current Tax Liabilities	71	74	201	162	259
Other Non-financial Liabilities	441	226	203	149	274
Total Non-Financial liabilities	648	322	444	750	889
Deposits	0	0	5,100	1,758	1,843
Trade payables	484	422	746	1,190	1,404
Debt Securities	78,236	1,13,321	1,64,892	1,99,149	2,66,453
Borrowings (Other than Debt Securities)	1,77,769	2,02,685	2,44,932	3,36,547	4,22,997
Derivative Financial Instruments	0	0	0	0	8
Sub-ordinated Liabilities	0	0	0	0	0
Other Financial Liabilities	736	1,511	1,744	2,116	2,341
Total Financial liabilities	2,57,225	3,17,939	4,17,413	5,40,760	6,95,047
Total Equities and Liabilities	3,13,724	3,78,584	4,85,271	6,46,541	8,18,271
Assets					
Cash and Cash Equivalents	6,587	4,618	4,070	939	639
Bank balances	0	2,550	1	150	2
Derivative financial instruments	0	0	0	14	117
Receivables	1,185	3,107	19	20	134
Loans	2,79,754	3,34,189	4,64,821	6,21,139	7,93,008
Investments	25,080	32,660	12,483	20,009	19,386
Other Financial Assets	84	340	2,539	3,019	2,841
Total Financial assets	3,12,690	3,77,464	4,83,933	6,45,289	8,16,124
Property, Plant and Equipment	778	643	781	849	875
Deferred tax assets (Net)	0	153	156	0	509
Current tax assets	111	45	91	40	311
Other Intangible Assets	80	146	206	284	362
Other Non-Financial Assets	66	134	104	79	89
Total Non-Financial assets	1,034	1,120	1,338	1,252	2,147
Total Assets	3,13,724	3,78,584	4,85,271	6,46,541	8,18,271

Source: Company, YES Sec

Exhibit 26: Income statement

Y/e 31 Mar (Rs m)	FY20	FY21	FY22	FY23	FY24
Income from Operations	26,460	31,547	37,667	56,647	76,173
Interest expense	(16,160)	(19,659)	(21,553)	(32,113)	(46,926)
Net interest income	10,300	11,888	16,114	24,534	29,247
Non-interest income	2	6	4	7	4
Total op income	10,302	11,894	16,118	24,541	29,251
Total op expenses	(3,384)	(3,290)	(4,709)	(6,306)	(7,029)
PPoP	6,918	8,604	11,409	18,236	22,222
Provisions	(1,243)	(2,472)	(1,811)	(1,235)	(609)
Profit before tax	5,675	6,132	9,599	17,001	21,613
Taxes	(1,461)	(1,600)	(2,502)	(4,423)	(4,301)
Net profit	4,213	4,532	7,096	12,578	17,312

Source: Company, YES Sec

Exhibit 27: Growth and Ratio matrix

Y/e 31 Mar	FY20	FY21	FY22	FY23	FY24
Growth matrix (%)					
Net interest income	121.8	15.4	35.5	52.3	19.2
Total op income	121.7	15.5	35.5	52.3	19.2
PPoP	313.3	24.4	32.6	59.8	21.9
Net profit	283.7	7.6	56.6	77.2	37.6
Loans	61.4	19.5	39.1	33.6	27.7
Borrowings + Debt	68.0	23.4	29.7	30.7	28.7
Total assets	62.9	20.7	28.2	33.2	26.6
Profitability Ratios (%)					
NIM	4.1	3.3	3.5	4.0	3.6
Non-int inc./Total inc.	0.0	0.0	0.0	0.0	0.0
Return on Avg Equity	9.1	7.8	11.1	14.6	15.2
Return on Avg Assets	1.7	1.3	1.6	2.2	2.4
Per share ratios (Rs)					
EPS	0.9	0.9	1.5	1.9	2.6
ABVPS	11.4	12.2	13.7	15.6	18.1
DPS	0.0	0.0	0.0	0.0	0.0
Other key ratios (%)					
Loans/Borrowings	109.3	105.8	113.4	115.9	115.0
Cost/Income	32.8	27.7	29.2	25.7	24.0
Gross Stage 3 (%)	0.1	0.4	0.3	0.2	0.3
Credit Cost	0.5	0.7	0.4	0.2	0.1
Tax rate	25.8	26.1	26.1	26.0	19.9

Source: RHP, Company, YES Sec

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