

IPO ANALYSIS

Sector: NBFC
Issue Price: INR 66 to INR 70
Issue Size: INR 6,560 Cr
Issue Opens/Closes: September 09 / September 11

IPO Basics

Promoters: Bajaj Finance Limited, Bajaj Finserv Limited
Selling Shareholders: Bajaj Finance Limited.
Lead Managers: Kotak Mahindra Capital, BofA Securities, Goldman Sach, SBI Capital Markets, JM Financial, IIFL Securities
Registered Office: Pune
Registrar: KFin Technologies Limited
Listing: BSE and NSE

IPO Capital Structure

Fresh Issue	50,85,71,428 equity shares upto INR 3,560 Cr
Offer for Sale	42,85,71,428 equity shares upto INR 3,000 Cr
Total Issue as % of total capital (Post-Issue)	11.25%
Post Issue No. of Shares	832,81,46,701
Employee Reservation	3,03,00,000 equity shares upto INR 200 Cr
Reservation for BFL Shareholders	7,58,00,000 equity shares upto INR 500 Cr
Post Issue Market Cap	INR 55,169 – 58,297 Cr
Face Value	INR 10
Issue Route	Book Build Issue

All values calculated at upper band

Financial Snapshot (INR in crs)

Y/E Mar	FY23	FY24	Q1FY25
Equity Share Capital	6,712.16	6,712.16	7,819.58
Reserves	3,791.03	5,521.34	6,900.33
Net worth	10,503.19	12,233.50	14,719.91
AUM	69,227.90	91,370.40	97,071.33
Disbursements	34,333.63	44,656.24	12,003.51
Total Income	5,664.73	7,617.31	2,208.65
Net Profit	1,257.80	1,731.22	482.61
NIM (%)	4.50%	4.10%	3.90%
Gross NPAs (%)	0.22%	0.27%	0.28%
Net NPAs (%)	0.08%	0.10%	0.11%
ROA (%)	2.30%	2.40%	2.30%
ROE (%)	14.60%	15.20%	14.30%
Basic EPS	1.88	2.58	0.62
Diluted EPS	1.88	2.58	0.62
NAV Basic (INR)		18.2	18.8
P/E (Based on Upper Band)			27.13
Average Industry P/E			20.00
P/B (Based on Upper Band)			3.84

Shareholding Pattern

Holders	Pre-issue	Post Issue
Promoters	100.00%	88.75%
Public	0.00%	11.25%
Total	100.0%	100.0%

Particulars	Retail Category	NII bid between INR 2 lakhs- INR 10 lakhs	NII bid above INR 10 lakhs
Minimum Bid Lot (Shares)	214	2,996	14,338
Minimum Bid Lot Amount	INR 14,980	INR 2,09,720	INR 10,03,660
No of Applications for 1x	13,69,159	13,971	27,942

Bajaj Housing Finance Limited

Sept 04, 2024

Issue Highlights:

- Incorporated on June 13, 2008, Bajaj Housing Finance Ltd (BHFL) is a prominent non-deposit taking Housing Finance Company (HFC) part of the Bajaj Group. BHFL, which commenced mortgage lending in Fiscal 2018, has been registered with the National Housing Bank (NHB) since September 24, 2015. As of September 30, 2022, BHFL has been categorized as an "Upper Layer" Non-Banking Financial Company (NBFC-UL) by the Reserve Bank of India (RBI), reflecting its significant role and strong position in the financial sector.
- BHFL offers a range of financial products designed for both individuals and corporate clients, focusing on home purchases and renovations, as well as commercial space financing. The company's mortgage product suite includes home loans, loans against property (LAP), lease rental discounting, and developer financing. This diverse portfolio caters to various needs in the housing finance sector, ensuring comprehensive support for its customers.
- As of June 30, 2024, BHFL stands as the second-largest HFC in India with Assets Under Management (AUM) totaling INR 97,071.33 crore. Notably, BHFL has demonstrated rapid growth, evidenced by a compound annual growth rate (CAGR) of 29.3% from Fiscal 2020 to Fiscal 2024. Additionally, it is the largest non-deposit taking HFC in the country in terms of AUM and has achieved the highest total income CAGR growth of 30.3% over the same period.
- Strategically, BHFL focuses on low-risk, fast-growing home loan segments. By March 31, 2024, home loans accounted for 57.8% of its AUM, predominantly benefiting salaried individuals (87.5%), with a smaller portion going to self-employed professionals (4.3%) and self-employed non-professionals (8.2%). This strategic emphasis on a stable customer base aligns with BHFL's growth objectives and risk management practices.
- The company operates through a well-established network of 215 branches across 174 locations in 20 states and 3 union territories as of June 30, 2024. This expansive reach is supported by 6 centralized hubs for retail underwriting and 7 hubs for loan processing. BHFL maintains strong asset quality with a Gross Non-Performing Assets (GNPA) ratio of 0.28% and a Net Non-Performing Assets (NNPA) ratio of 0.11%. Its financial stability is underscored by top-tier credit ratings from CRISIL and IND, reflecting its robust market position and operational soundness.

Key Risks:

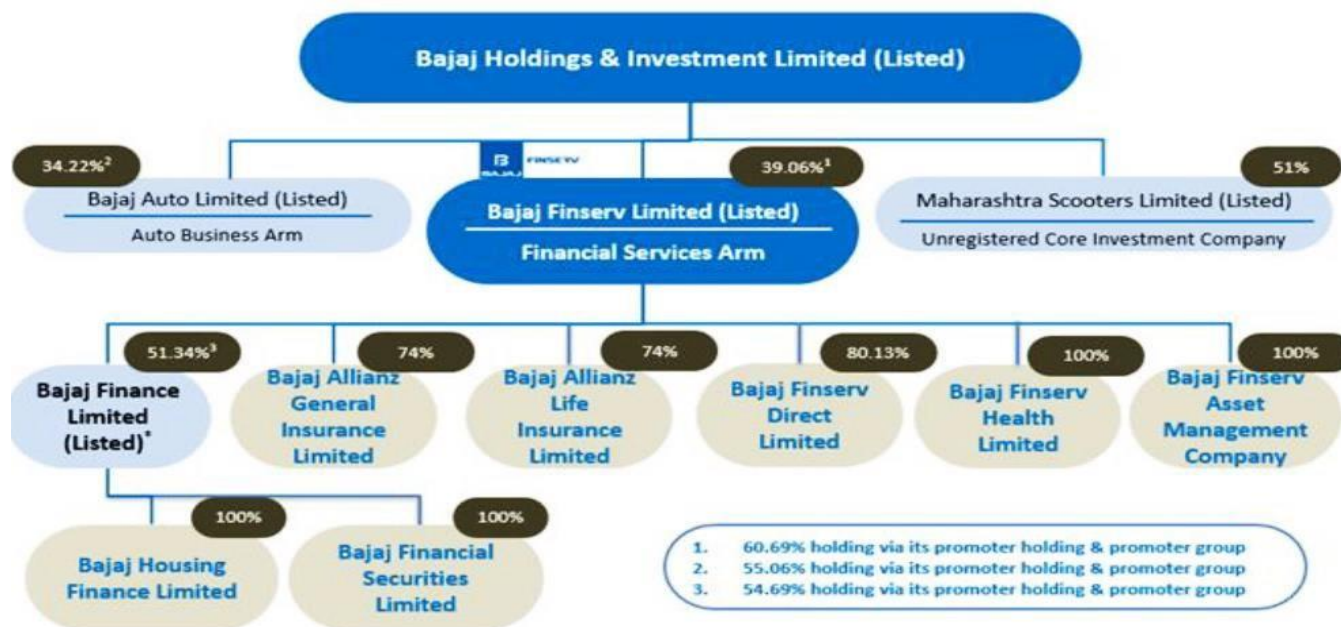
- BHFL's rapid growth since its 2017 launch has led to a large but relatively new portfolio, which remains under-seasoned despite strong performance. Ongoing monitoring will be crucial as the portfolio matures.
- Although BHFL's asset quality is currently strong, with GNPA at 0.27% and credit cost at 0.1%, the portfolio's recent rapid expansion means it is still under-seasoned, requiring close observation.

Particulars	No. of shares at Lower band (Cr.)	No. of shares at Upper band (Cr.)	Issue size amount (INR Cr)	% Of Issue
QIB	44.39	41.86	2,930.00	50.00%
NIB	13.32	12.56	879.00	15.00%
-NIB2 (Bid above INR 10 Lakhs)	8.88	8.37	586.00	-
-NIB1 (Bid between INR 2 to 10 Lakhs)	4.44	4.19	293.00	-
Retail	31.08	29.30	2051.00	35.00%
Employee	3.03	2.86	200.00	
S/H	7.58	7.14	500.00	
Total	99.39	93.71	6,560.00	100.00%

An Indicative Timetable Post Issue Closing

Particulars	Tentative Date
Finalization of Basis of Allotment	September 12, 2024
Refunds/un-blocking of ASBA Accounts	September 13, 2024
Credit of Equity Shares to DP Ac	September 13, 2024
Trading Commences	September 16, 2024

Investors are advised to refer disclosures made at the end of the research report.



Apart from these, Bajaj Finserv (BFS) has one more fully-owned subsidiaries BFS Ventures (BFSV)

Bajaj Housing Finance Limited (BHFL) is a 100% subsidiary of BFL which became fully operational in Feb 2018.
 Bajaj Financial Securities Limited (BFSL) is 100% subsidiary of BFL which became fully operational in Aug 2019
 Maharashtra Scooters Limited (MSL) is termed as an unregistered Core Investment Company. Note: Shareholding is as of 31 Mar 2024.

BACKGROUND

Brief Biographies of Directors

Sanjivnayan Bajaj is the Chairman and a Non-Executive Director of the company. He is the chairman and managing director of Bajaj Finserv Ltd. He is also the non-executive chairman of Bajaj Finance Ltd and the chairman of Maharashtra Scooters Ltd, Bajaj Finserv Asset Management Co Ltd, Bajaj Allianz Life Insurance Co Ltd and Bajaj Allianz General Insurance Co Ltd. He is also the managing director of Bajaj Holdings and Investment Ltd and serves as a non-executive director at Bajaj Auto Ltd. He has more than 27 years of experience in various areas including business strategy, marketing, finance, investment, audit, legal and IT related functions in auto and financial services sectors.

Rajeev Jain is the Vice Chairman and Non-Executive Director of the company. He has more than 30 years of experience in the consumer lending industry. He has been associated with the company for over a decade. He is also the managing director of Bajaj Finance Ltd. In his previous assignments, he has worked with Countrywide Consumer Financial Services Ltd, ANZ Grindlays Bank, American Express and AIG. He has several years of experience in managing diverse consumer lending businesses viz., auto loans, durables loans, personal loans and credit cards.

Anami Narayan Roy is an Independent Director of the company. He is a former director general of police and police commissioner of Mumbai, having served in the IPS in Maharashtra and GoI for over 38 years. He is also on the board of directors of Bajaj Finserv Ltd, Bajaj Finance Ltd, GlaxoSmithKline Pharmaceuticals Ltd, Finolex Industries Ltd, Bajaj Allianz General Insurance Co Ltd, Bajaj Allianz Life Insurance Co Ltd, Siemens Ltd and Bajaj Auto Ltd.

Dr.Arindam Kumar Bhattacharya is an Independent Director of the company. He is also on the board of directors of Bajaj Finance Ltd, Bajaj Holdings and Investments Ltd, Fleur Hotels Pvt Ltd and Info Edge (India) Ltd. Previously, he was associated with the Boston Consulting Group (India) Pvt Ltd ("BCG") for over 20 years.

Jasmine Arish Chaney is an Independent Director of the company. She was previously associated with the CRISIL Ratings Ltd for over 30 years in management roles.

Sriram Madakasira Narasimha Swamy is an Independent Director of the company. He was a former regional director of the RBI where he had served in various capacities for 33 years. He has experience in currency management, supervision over Non-Banking Financial Companies and has served in banking supervision at the central office of RBI, Mumbai.

Atul Jain is the Managing Director of the company. He has over 24 years of experience in the financial, investment banking and retail finance sectors and was previously associated with PNB Capital Services Ltd and with Prudential Capital Markets Limited. He joined the Bajaj group on June 10, 2002, and joined the company with effect from April 1, 2018. He was also previously associated with Bajaj Finance Ltd.

Key Managerial Personnel

Gaurav Kalani is the Chief Financial Officer of the company. He is responsible for finance and accounts functions in the company. He joined the Bajaj group on April 3, 2003 and joined the company with effect from April 1, 2018.

Atul Patni is the Company Secretary and Compliance Officer of the company. He is responsible for secretarial functions in the company. He has over 13 years of experience in the financial sector, including over 10 years of experience in the banking sector.

OBJECTS OF THE ISSUE

Objects	Amount (INR Cr)
▪ Augmenting the capital base to meet future business requirements of the company towards onward lending	[•]
▪ General Corporate Purposes	[•]
Total	[•]

OFFER DETAILS

Fresh Issue	INR Cr	No. of Shares	WACA per Equity Share (INR)
Fresh Issue	(INR 3,560 Cr)	Upto 539,393,938~ -508,571,428^ Equity Shares^	–
The Offer for Sale by:			
Bajaj Finance Ltd – Promoter	(INR 3,000 Cr)	Upto 454,545,454~ - 428,571,428^ Equity Shares^	12.2

SHAREHOLDING PATTERN

Shareholders	Pre-offer#		Offer for Sale Shares and Fresh Issue	Post-offer	
	Number of Equity Shares*	% of Total Equity Share Capital		Number of Equity Shares	% of Total Equity Share Capital
Promoter and Promoter Group	7,819,575,273	100.00%	428,571,428	7,391,003,845	88.75%
Total for Promoter and Promoter Group	7,819,575,273	100.00%	428,571,428	7,391,003,845	88.75%
Public	0		508,571,428	937,142,856	11.25%
Total for Public Shareholders	0			937,142,856	11.25%
Total Equity Share Capital	7,819,575,273	100.00%		8,328,146,701	100.00%

(^ at upper price band)

* Inclusive of the 6 joint Shareholders, i.e., Rajivnayan Bajaj, Madhur Bajaj, Sanjivnayan Bajaj, Rajeev Jain, Atul Jain, and V. Rajagopalan, holding 100 Equity Shares each jointly with Bajaj Finance Ltd, with Bajaj Finance Ltd being the first holder of each of such jointly held Equity Shares. However, while Sanjivnayan Bajaj is a member of the Promoter Group, Rajivnayan Bajaj, Madhur Bajaj, Rajeev Jain, Atul Jain, and V. Rajagopalan are neither Promoters nor members of the Promoter Group.

BUSINESS OVERVIEW

Bajaj Housing Finance Limited (BHFL), a non-deposit taking Housing Finance Company, was incorporated on June 13, 2008, and is registered with the National Housing Bank (NHB) since September 24, 2015. Engaged in mortgage lending since Fiscal 2018, BHFL was classified as an “Upper Layer” NBFC (NBFC-UL) by the RBI on September 30, 2022. This classification reflects its significant position under the RBI’s revised regulatory framework for NBFCs.

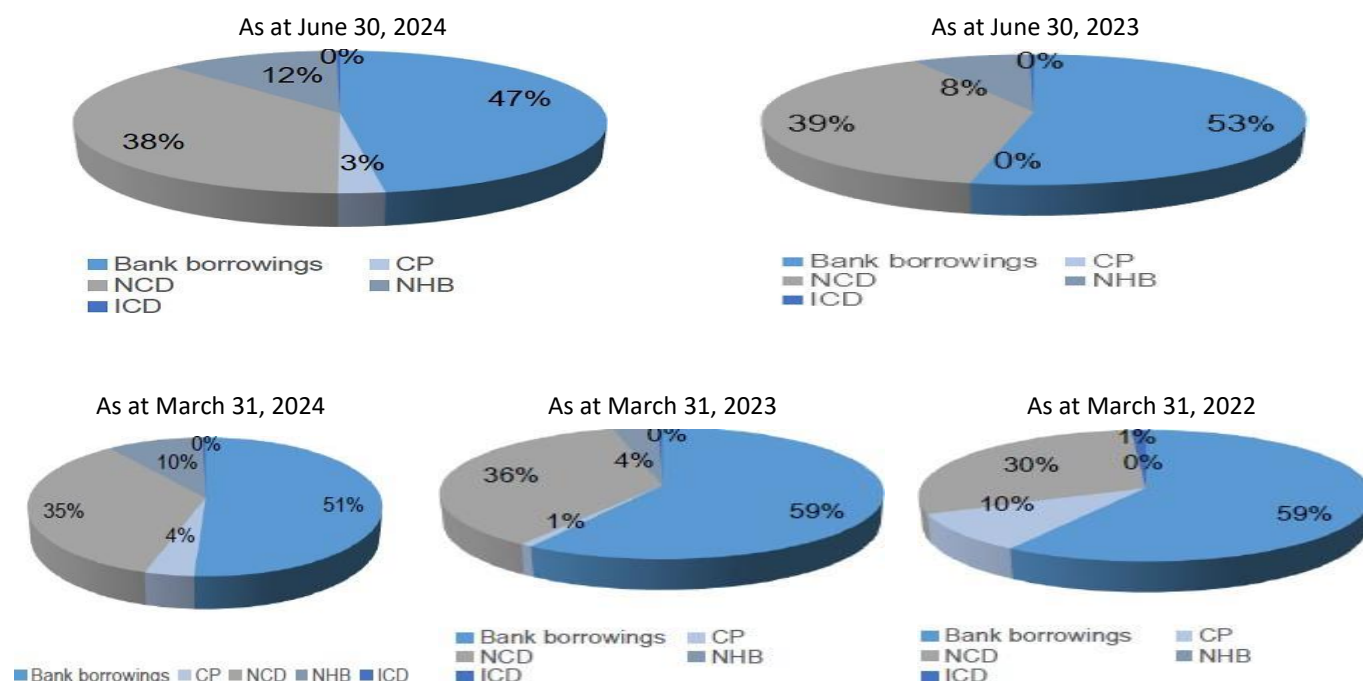
BHFL provides a diverse range of financial products, including home loans, loans against property (LAP), lease rental discounting, and developer financing. The company’s focus is primarily on individual retail housing loans, complemented by its offerings in lease rental discounting and developer financing, catering to a wide spectrum of customers from homebuyers to large developers.

As of June 30, 2024, BHFL’s Assets Under Management (AUM) reached INR 97,071.33 crore, with a notable CAGR of 30.9% between Fiscals 2022 and 2024. The average home loan size was INR 0.46 crore, with a loan-to-value ratio of 69.3%. About 75.5% of home loan AUM came from customers with a CIBIL score above 750. Loans against property, developer finance, and lease rental discounting constituted 10%, 11.2%, and 19.5% of AUM, respectively.

By June 30, 2024, BHFL was a leading HFC in India, recognized for its extensive reach and robust performance metrics. It was the largest non-deposit taking HFC by AUM, the second largest HFC overall, and achieved high growth rates and a diversified product offering. The company also had the lowest GNPA and NNPA ratios among large HFCs and maintained the highest credit ratings for both long-term and short-term borrowings.

BHFL operates through 215 branches across 174 locations in 20 states and 3 union territories, supported by centralized hubs for underwriting and loan processing. The company employs both direct and indirect channels for loan origination, including strategic partnerships, digital leads, and intermediary networks. This multi-channel approach, along with a focus on low-risk customers, has contributed to its strong financial performance and low non-performing asset ratios.

The details of borrowing mix for the 3 months ended June 30, 2024 and June 30, 2023 and last 3 fiscal years:



BHFL has expanded its offerings by partnering with multiple insurance providers and registering as a corporate agent with the Insurance Regulatory and Development Authority of India (IRDAI) on December 22, 2023. This move allows BHFL to offer life, general, and health insurance products, catering to broader customer needs and generating additional fee income.

The company is committed to digitization and innovation to enhance its retail lending. In Fiscal 2023, BHFL introduced OTP-based e-agreements using AADHAR for authentication, simplifying the loan agreement process. They also launched a DIY home loan portal, providing instant loan sanction letters via WhatsApp and their website, and improved customer engagement with features like 'Call Me Back' and 'Call to Apply.'

BHFL's Board of Directors includes independent and experienced professionals. The senior management team, with an average of 22 years of industry experience, is led by individuals who have been with the Bajaj group for over 21 years, including the Managing Director and Chief Financial Officer who are founding members of the company.

The company's financial strength is demonstrated by a strong track record of profitability and a Capital Adequacy Ratio (CRAR) that consistently exceeds regulatory requirements, underscoring its status as a well-capitalized HFC.

The certain key financial and operational information of the company, as at and for the periods indicated:

(INR cr)

	For the 3 months ended June 30		As at March 31,		
	2024	2023	2024	2023	2022
Assets under Management	97,071.33	74,124.26	91,370.40	69,227.90	53,321.72
- Home Loans	55,810.82	44,687.08	52,819.60	42,706.86	34,544.85
- LAP	9,681.84	8,020.08	9,567.93	7,816.89	7,405.28
- Lease Rental Discounting	18,969.82	13,453.03	17,636.80	11,259.48	6,869.42
- Developer Financing	10,845.96	6,191.80	9,599.33	5,669.32	2,898.70
- Others	1,762.89	1,772.27	1,746.74	1,775.35	1,603.47
Disbursements	12,003.51	10,382.52	44,656.24	34,333.63	26,175.24
Net Worth	14,719.91	10,964.99	12,233.50	10,503.19	6,741.36
Average Ticket Size - Home Loans	0.46	0.47	0.46	0.46	0.42
Average Ticket Size - LAP	0.59	0.52	0.58	0.49	0.43
Interest Income	2,063.54	1,666.95	7,202.36	5,269.24	3,481.75
Net Total Income	809.97	701.23	2,925.10	2,454.12	1,611.82
Profit after Tax	482.61	461.80	1,731.22	1,257.80	709.62
Yield on Loans (in %)	10.0%	10.4%	10.2%	9.7%	8.7%
Finance cost as a percentage of Average Borrowings (%)	7.9%	7.6%	7.6%	6.7%	5.9%
Net Interest Margin (in %)	3.9%	4.4	4.1%	4.5%	4.0%
Operating Expense to Net Total Income Ratio	21.0%	24.0%	24.0%	25.7%	29.2%
Profit before Tax Margin (in %)	28.5%	29.8%	28.4%	30.0%	25.5%
Credit Cost (in %)	0.0%	0.0%	0.1%	0.2%	0.5%
Return on Average Assets (in %)	2.3%	2.9%	2.4%	2.3%	1.8%
Return on Average Equity (in %)	14.3%	17.2%	15.2%	14.6%	11.1%
Leverage	6.0	6.4	6.7	6.2	7.2
GNPA Ratio (in %)	0.28%	0.23%	0.27%	0.22%	0.31%
NNPA Ratio (in %)	0.11%	0.08%	0.10%	0.08%	0.14%
Provision Coverage Ratio (in %)	59.4%	65.9%	63.7%	63.6%	54.3%
Capital Adequacy Ratio (in %)	23.82%	22.52%	21.28%	22.97%	19.71%
Number of Branches	215	207	215	208	201
Number of Employees	2,239	2,773	2,372	2,788	3,705

Source: RHP

Currently, BHFL has received 23 registered trademarks, out of which 4 trademarks have expired and not yet been applied for renewal. Further, they have made 3 trademark applications which are currently pending for registration before the registry. As at June 30, 2024, they had applied for 153 registered domain names.

COMPANY PRODUCT AND SERVICES

Company's product suite comprises (i) Home loans; (ii) Loans against property; (iii) Lease rental discounting; (iv) Developer financing; and (v) others.

Home Loans

BHFL provides home loans to salaried, professional, and self-employed individuals, primarily targeting the mass affluent segment with an average age of 35-40 years and an annual salary of INR 1.3 million. As of June 30, 2024, home loans make up 57.5% of their portfolio, covering new purchases, resales, balance transfers, and top-ups. Key features include an average ticket size of INR 0.46 crore, a loan-to-value ratio of 69.3%, and a tenure of up to 40 years. Customers sourced directly have an average annual salary of INR 0.13 crore, while those from indirect channels have INR 0.14 crore.

Loan Against Property (LAP)

BHFL offers LAP across 74 locations in India, using in-house teams and intermediaries. These loans are based on the borrower’s cash flow and include a “Flexi” facility for flexible withdrawals and payments. As of June 30, 2024, LAP products have an average ticket size of INR0.59 crore, a loan-to-value ratio of 53%, and a tenor of up to 17 years. A significant 71.4% of the LAP portfolio is secured by self-occupied residential properties.

Lease Rental Discounting

BHFL provides lease rental discounting to HNIs and developers, focusing on financing commercial properties and construction projects. Their portfolio supports the entire commercial real estate lifecycle and targets ‘Grade A’ properties. As of June 30, 2024, the lease rental discounting product has an average ticket size of INR 101.89 crore and serves 249 customers across 14 locations.

Developer Financing

Developer financing is available for residential and commercial projects and is secured by project cash flows, inventory, land, and undivided land shares. This segment, which began in Fiscal 2022, also supports BHFL's lease rental discounting. As of June 30, 2024, the average ticket size is INR 45.99 crore, with 669 active projects and 432 developer relationships across 13 locations.

Others and Treasury Operations

In addition to collateralized loans, BHFL offers non-collateralized loans and a range of insurance products through its IRDAI registration. Treasury operations are divided into front, middle, and back offices for strategic planning, regulatory compliance, and execution. As of June 30, 2024, BHFL maintains relationships with 23 banks for its funding needs.

The Credit ratings details:

Particulars	CRISIL Rating	India Ratings and Research
Non-convertible debentures	AAA/stable	AAA/stable
Bank loan facilities	AAA/stable	AAA/stable/A1+
Subordinated debt/Tier II debt	AAA/stable	AAA/stable
Commercial paper	A1+	A1+

Source: RHP

The credit ratings and experienced treasury management have also helped them in maintaining a low average cost of borrowings at 7.9% as at June 30, 2024. As at June 30, 2024, 44% of the total borrowings were at fixed rates of interest, while 56% were at floating rates.

Risk and Debt Management

Risk Management

BHFL's risk management policy is board-approved and includes monthly senior management reviews and quarterly risk management committee evaluations. The Board has also approved an Internal Capital Adequacy Assessment Policy, ensuring rigorous evaluation of capital needs relative to operational risks and scale, thereby strengthening the company’s internal risk management.

Debt Management

BHFL employs a high-efficiency debt management process that integrates traditional methods with digital tools. They offer various online payment options and a customer portal for ease of transactions. Proactive digital reminders are used for EMI payments, and their centralized debt management portal tracks due dates and recovery efforts. For commercial products, a relationship-driven model is used, where relationship managers handle both sourcing and debt management to enhance service and effectiveness.

REVENUE FROM OPERATIONS.

(INR cr)

Industry / Sector	For the 3 months ended June 30				As at March 31,					
	2024		2023		2024		2023		2022	
	Revenue (INR Cr)	% of Revenue	Revenue (INR Cr)	% of Revenue	Revenue (INR Cr)	% of Revenue	Revenue (INR Cr)	% of Revenue	Revenue (INR Cr)	% of Revenue
Interest income	2,063.54	93.43%	1,666.95	94.54%	7,202.36	94.55%	5,269.24	93.02%	3,481.75	92.43%
Fees and commission income	56.79	2.57%	33.08	1.88%	138.23	1.81%	86.22	1.52%	81.85	2.17%
Net gain on fair value changes	50.70	2.30%	35.62	2.02%	133.20	1.75%	112.04	1.98%	58.97	1.57%
Sale of services	22.95	1.04%	16.47	0.93%	52.48	0.69%	50.29	0.89%	142.02	3.77%
Income on derecognised (assigned) loans	2.71	0.12%	7.44	0.42%	53.08	0.70%	134.80	2.38%	0	0.00%
Other operating income	11.96	0.54%	3.69	0.21%	37.96	0.50%	12.14	0.21%	2.12	0.06%
Total Revenue from Operations	2,208.65	100.00%	1,763.25	100.00%	7,617.31	100.00%	5,664.73	100.00%	3,766.71	100.00%

Source: RHP

FINANCIAL METRICS

(In INR cr unless stated otherwise)

	For the 3 months ended June 30		As at March 31,		
	2024	2023	2024	2023	2022
AUM	97,071.33	74,124.26	91,370.40	69,227.90	53,321.72
AUM Growth (%)	31.0%	29.1%	32.0%	29.8%	37.2%
Average AUM	94,220.87	71,676.08	80,299.15	61,274.81	46,096.31
Assets	11,788.13	7,789.77	12,069.65	7,114.01	6,839.65
Assigned Assets to AUM (%)	12.1%	10.5%	13.2%	10.3%	12.8%
Loan Assets	85,283.20	66,334.49	79,300.75	62,113.89	46,482.07
Average Loan Assets	82,291.98	64,224.19	70,707.32	54,297.98	39,950.49
Total Assets	88,538.83	70,004.99	81,827.09	64,654.14	48,527.08
Borrowings	73,347.06	58,560.15	69,129.32	53,745.39	41,492.32
Average Borrowings	71,238.19	56,152.77	61,437.36	47,618.86	36,546.46
Disbursements	12,003.51	10,382.52	44,656.24	34,333.63	26,175.24
Disbursements Growth (%)	15.6%	12.2%	30.1%	31.2%	73.5%
Total income	2,208.73	1,763.38	7,617.71	5,665.44	3,767.13
Finance costs	1,398.76	1,062.15	4,692.61	3,211.32	2,155.31
Net Total Income	809.97	701.23	2,925.10	2,454.12	1,611.82
Operating Expenses	170.05	168.25	702.90	630.56	470.89
Impairment on financial instruments	10.04	6.74	60.88	123.50	181.07
Profit before tax	629.88	526.24	2,161.31	1,700.06	959.86
Total tax expense	147.27	64.44	430.10	442.26	250.24
Profit after tax	482.61	461.80	1,731.22	1,257.80	709.62
Total Income as a percentage of Average Loans	10.7%	11.0%	10.8%	10.4%	9.4%
Yield on Loans	10.0%	10.4%	10.2%	9.7%	8.7%
Finance cost as a percentage of Average Borrowings	7.9%	7.6%	7.6%	6.7%	5.9%
Net Total Income as a percentage of Average Loans (NIM)	3.9%	4.4%	4.1%	4.5%	4.0%
Spreads	2.1%	2.8%	2.6%	3.0%	2.8%
Operating Expenses as a percentage of Average Loans	0.8%	1.0%	1.0%	1.2%	1.2%
Operating Expenses as a percentage of Net Total Income	21.0%	24.0%	24.0%	25.7%	29.2%
Impairment on financial instruments as a % of Average Loans	0.0%	0.0%	0.1%	0.2%	0.5%
Total tax expense as a percentage of PBT	23.4%	12.2%	19.9%	26.0%	26.1%
Gross NPA	236.18	151.51	215.61	137.33	146.36
Gross NPA (%)	0.28%	0.23%	0.27%	0.22%	0.31%
Net NPA	95.95	5161	78.17	49.99	66.89
Net NPA (%)	0.11%	0.08%	0.10%	0.08%	0.14%
Provision Coverage Ratio (%)	59.4%	65.9%	63.7%	63.6%	54.3%
Basic Earnings Per Equity Share (INR)	0.6	0.7	2.6	1.9	1.5
Diluted Earnings Per Equity Share (INR)	0.6	0.7	2.6	1.9	1.5
Book Value Per Share	18.8	16.3	18.2	15.6	13.8

Source: RHP

Return on Equity and Assets

	For the 3 months ended June 30		As at March 31,		
	2024	2023	2024	2023	2022
Total Income to Average Loans	10.7%	11.0%	10.8%	10.4%	9.4%
Finance Costs to Average Loans	6.8%	6.6%	6.6%	5.9%	5.4%
Operating Expenses to Average Loans	0.8%	1.0%	1.0%	1.2%	1.2%
Credit Cost to Average Loans	0.0%	0.0%	0.1%	0.2%	0.5%
Profit Before Tax to Average Loans	3.1%	3.3%	3.1%	3.1%	2.4%
Profit After Tax to Average Loans (ROA)	2.3%	2.9%	2.4%	2.3%	1.8%
Profit After Tax to Average Net Worth (ROE)	14.3%	17.2%	15.2%	14.6%	11.1%

Source: RHP

Assignment Transactions

	For the 3 months ended June 30		As at March 31,		
	2024	2023	2024	2023	2022
Amount of loans transferred	151.11	1,077.90	7,091.92	2,234.70	2,871.09
Amount of loans acquired	1,000.16	189.93	2,956.71	24.84	738.78

(INR cr)

Source: RHP

Capital to Risk (Weighted) Assets the ratio ("CRAR")

	For the 3 months ended June 30		As at March 31,		
	2024	2023	2024	2023	2024
Tier I Capital (A)	14,331.69	10,604.46	11,857.24	10,184.74	6,469.01
Tier II Capital (B)	346.62	357.02	348.45	359.66	259.95
Total Capital (C=A+B)	14,678.31	10,961.48	12,205.69	10,544.40	6,728.96
Total Risk Weighted Assets (D)	61,625.63	48,680.51	57,351.83	45,901.75	34,126.15
CRAR (%) (E= C/D)	23.82%	22.52%	21.28%	22.97%	19.71%
CRAR – Tier I capital (%) (F= A/D)	23.26%	21.79%	20.67%	22.19%	18.95%
CRAR – Tier II capital (%) (G= B/D)	0.56%	0.73%	0.61%	0.78%	0.76%
Debt to total equity ratio	5.0	5.3	5.7	5.1	6.2

(In INR cr and except %)

Source: RHP

COMPETITIVE STRENGTHS**Distinguished Heritage**

BHFL, a wholly owned subsidiary of Bajaj Finance Ltd, benefits from the strong brand equity of the "Bajaj" name. The Bajaj group's extensive retail presence includes Bajaj Auto, Bajaj Finance, Bajaj Allianz, Bajaj Finserv, and Bajaj Financial Securities. This broad recognition supports BHFL's growth and credibility in the housing finance sector. The company's parent, Bajaj Finance Ltd, has bolstered its capital base with significant rights issues, reinforcing its ability to expand its mortgage operations.

Strong Growth and Diversification

As the 2nd largest HFC in India by AUM and the 8th largest NBFC-UL as of March 31, 2024, BHFL has demonstrated impressive growth, with a 30.9% CAGR from Fiscal 2022 to Fiscal 2024. Their success is attributed to a diversified product portfolio and effective risk management positioning them as one of the fastest-growing HFCs/NBFCs in the country.

Strategic Presence and Technology

BHFL maintains a strategic presence with a comprehensive omni-channel approach, combining physical branches with digital onboarding. Maharashtra is a key market, contributing significantly to their AUM and disbursements. Their dual-channel strategy for home loans and LAP ensures broad market reach and efficient customer acquisition.

Effective Risk Management

The company employs a robust credit evaluation and risk management framework, resulting in the lowest GNPA and NNPA ratios among peers as of June 30, 2024. Their digital credit processes and account aggregator integration enhance underwriting efficiency. BHFL's infrastructure includes a 4-tier collections system for effective loan recovery.

Diversified Borrowing and Experienced Management

BHFL's borrowing strategy includes a mix of money market instruments, bank loans, non-convertible debentures, and NHB refinance, supported by the highest credit ratings. The management team has extensive experience, with key personnel having over 21 years with the Bajaj group. The company's structure supports scalability and emphasizes talent retention.

KEY BUSINESS STRATEGIES

Leveraging Technology and Analytics

The company will continue using technology and analytics to boost productivity, cut expenses, and enhance customer experience. Operating Expenses as a percentage of Net Total Income improved from 29.2% in Fiscal 2022 to 24% in Fiscal 2024, and was 21% for the 3 months ending June 30, 2024. Investments in digital capabilities include capital expenditures of INR2.52 crore, INR27.32 crore, INR22.59 crore, and INR19.82 crore over the past four periods. New initiatives include E-Agreements for faster, secure loan processing and a DIY Home Loan platform for streamlined applications. Online traffic grew from 3 million users in Fiscal 2022 to 3.7 million in Fiscal 2024.

Expanding Market Presence

The company's strategy focuses on deepening market penetration through a micro-market approach and leveraging developer finance relationships. They have introduced a strategic business unit for near-prime and affordable housing segments and aim to grow their loan against property portfolio by cross-selling to existing salaried customers. Their lease rental discounting and developer financing strategies involve expanding geographically and increasing their client base through new and existing relationships.

Optimizing Borrowing Costs

The company plans to diversify its borrowing profile to lower costs by increasing long-term borrowings and expanding into money markets. They aim to balance floating rate assets with floating rate borrowings, benefiting from their strong credit ratings to access varied funding sources and reduce expenses.

Attracting and Retaining Talent

The company focuses on building a skilled team with expertise in credit evaluation, risk management, and other key areas. They offer structured training programs for new hires and ongoing upskilling for current employees, supported by an engagement framework that promotes a supportive work culture and measurable progress.

COMPETITION

The housing finance industry in India is highly competitive, with BHFL facing rivals from other HFCs, NBFCs, and commercial banks. Competition is based on product range, interest rates, fees, customer service, and attracting skilled employees. Key competitors include LIC Housing Finance, PNB Housing Finance, Can Fin Homes, Tata Capital Housing Finance, Aadhar Housing Finance, Aavas Financiers, Aptus Value Housing Finance, and Home First Finance. Many competitors benefit from cost-effective funding, advanced technologies, and streamlined operations.

INDUSTRY OVERVIEW

PEER BENCHMARKING

Peer comparison of Bajaj Housing Finance

Bajaj Housing Finance is the 2nd largest HFC with an AUM of INR 97,071.33 crore as of June 30, 2024, and has the fastest growth rate among HFCs, with a 29.3% CAGR from Fiscal 2020 to Fiscal 2024.

In just 7 years, Bajaj Housing Finance has become the largest non-deposit taking HFC in India by AUM.

As of Fiscal 2024, Bajaj Housing Finance is the 2nd largest HFC with INR 91,370 crore AUM, behind LIC Housing Finance's INR 286,840 crore. With a 29.3% CAGR from Fiscal 2020 to Fiscal 2024, Bajaj Housing Finance is the fastest growing HFC, surpassing Can Fin Homes (14.0%) and Home First Housing (28.0%).

It also boasts the highest total income CAGR of 30.3% between Fiscal 2020 and Fiscal 2024.

From June 30, 2023, to June 30, 2024, Home First Finance Co India saw the highest AUM and total income growth at 34.8% and 31.4%, respectively, followed by Bajaj Housing Finance with 31.0% AUM and 25.3% total income growth. Top of Form

Size of the companies (Fiscal 2024)

PlayerType	Players	Total Income CAGR (Fiscal 2020-2024)	Total Income (INR Cr)	AUM CAGR (Fiscal 2020-24)	AUM (INR Cr)	
					Fiscal 2024	Fiscal 2023
Prime	Bajaj Housing Finance Ltd	30.3%	7,620	29.3%	91,370	69,230
	Can Fin Homes Ltd	14.8%	3,520	14.0%	35,000	31,560
	LIC Housing Finance Ltd	8.4%	27,230	8.0%	286,840	275,050
	PNB Housing Finance Ltd	(4.6)%	7,020	(4.1)%	71,240	66,620
	Tata Capital Housing Finance Ltd	14.6	5,190	NA	NA	38,620
Affordable	Aadhar Housing Finance Ltd	16.5	2,520	16.6%	21,100	17,220
	Aavas Financiers Ltd	22.3	2,020	22.1%	17,310	14,170
	Aptus Value Housing Finance India Ltd	25.3	1,120	20.7%	6,760	5,760
	Home First Finance Co India Ltd	28.8%	1,160	28.0%	9,700	7,200

Source: RHP

COMPARISON WITH LISTED INDUSTRY PEERS (AS ON MARCH 31, 2024)

(INR cr)

Company Name	Consolidated / Standalone	Face Value	Total Income (INR in Cr)	EPS		NAV (INR in Cr)	NAV Per Share	P/E	PB	RoNW(%)
				Basic	Diluted					
Bajaj Housing Finance	Restated	10	7,617.71	2.6	2.6	12,233.50	18.2	27.13	3.84	15.2
LIC Housing Finance	Consolidated	2	27,277.80	86.5	86.5	31,480.06	572.3	7.3	1.1	16.2
PNB Housing Finance	Consolidated	10	7,057.09	58.4	58.2	14,974.44	576.6	12.4	1.3	11.6
Can Fin Homes	Consolidated	2	3,524.69	56.4	56.4	4,343.85	326.2	12.9	2.2	18.8
Aadhar Housing Finance	Consolidated	10	2,586.98	19.0	18.4	4,449.75	104.3	18.7	3.3	18.4
Aavas Financiers	Consolidated	10	2,020.69	62.0	61.9	3,773.32	476.8	25.8	3.3	13.9
Aptus Value Housing Finance	Consolidated	2	1,416.84	12.3	12.2	3,767.92	75.5	24.6	4.0	17.5
Home First Finance	Consolidated	2	1,156.55	34.7	33.7	2,121.49	239.7	24.3	3.4	15.5

Source: RHP; P/E ratio for the listed industry peers has been computed based on the closing market price of equity shares on NSE as on August 19, 2024. PE/PB for Bajaj housing finance is calculated based on upper price band.

Comparison of KPIs with Listed Industry Peers

Metrics	As at March 31 st , 2024							
	Bajaj Housing Finance	LIC Housing Finance	PNB Housing Finance	Can Fin Homes	Aadhar Housing Finance	Aavas Financiers	Home First Finance Co	Aptus Value Housing Finance
Footprint/ Presence								
No of States/UTs	23	NA	20	21	20	13	13	6
No of Branches	215	310	300	219	523	367	133	262
No of Locations	174	NA	NA	NA	NA	NA	NA	NA
No of Employees	2,372	2401	NA	NA	NA	NA	1,249	NA
Source: RHP								
Metrics	As at March 31 st , 2024							
	Bajaj Housing Finance	LIC Housing Finance	PNB Housing Finance	Can Fin Homes	Aadhar Housing Finance	Aavas Financiers	Home First Finance Co	Aptus Value Housing Finance
Portfolio Cuts								
AUM (INR cr)	91,370	2,68,684	71,243	34,999	21,121	17,313	9,698	6,759
AUM y-o-y Growth	32.00%	4.3%	6.9%	10.9%	22.6%	22.2%	34.7%	17.3%
Disbursement	44,656	58,937	17,583	8,177	7,072	5,582	3,963	NA
Disbursement y-o-y Growth	30.1%	(8.1)%	17.5%	(8.6)%	19.8%	11.1%	31.5%	NA
Product-wise AUM								
Home Loan ("HL")	57.8%	85.1%	69.7%	78.0%	74.9%	69.3%	86.0%	69.0%
Loan Against Property ("LAP")	10.5%	10.0%	NA	5.0%	25.1%	13.7%	13.0%	NA
Lease Rental Discounting ("LRD")	19.3%	NA	NA	NA	NA	NA	NA	NA
Developer Finance ("DF")	10.5%	2.8%	NA	NA	NA	NA	NA	NA
Others	1.9%	2.1%	NA	NA	NA	17.0%	1.0%	31.0%
AUM Mix								

On-book	86.8%	97.8%	90.1%	98.7%	80.0%	80.9%	84.0%	100.0%
Off-book	13.2%	2.2%	9.9%	1.3%	20.0%	19.1%	16.0%	0.0%
HL AUM Mix (by Customer Type)								
Salaried	87.5%	88.0%	60.8%	72.0%	NA	40.2%	68.0%	NA
Self-employed Professionals	4.3%	NA	NA	NA	NA	NA	NA	NA
Self-employed Non-Professionals	8.2%	12.0%	39.2%	28.0%	NA	59.8%	32.0%	74.0%
HL AUM Mix (by Sourcing Channel)								
Direct	55.7%	27.0%	58.0%	72.0%	NA	NA	100.0%	100.0%
Indirect	44.3%	73.0%	42.0%	28.0%	NA	-	NA	-
HL								
ATS (at Origination)	4.6	2.9+	2.9	2.5	NA	1	1.2	0.5-1.5
LTV (at Origination)	70.5%	52.0%	NA	NA	NA	NA	55.6%	-
% of AUM with CIBIL Score >750 (at Origination)	75.8%	NA	NA	NA	NA	NA	NA	NA
LAP								
ATS (at Origination)	5.8	NA	3.1	NA	NA	0.8	NA	NA
LTV (at Origination)	55.1%	NA	NA	NA	NA	-	NA	-
SORP %	71.2%	NA	NA	NA	NA	NA	NA	NA
Active Customers	237	NA	NA	NA	NA	NA	NA	NA
Productivity Metrics								
AUM/Branch	425	925	237	160	40	47	73	26
AUM/Employee	39	119	NA	NA	NA	NA	8	2
Financial Metrics								
Net Worth	12,234	31,395	14,932	4,344	4,446	3,773	2,121	3,408
Total Income	7,618	27,235	7,024	3,525	2,524	2,020	1,157	1,123
Net Total Income	2,925	8,844	2,762	1,293	1,537	1,192	657	800
Profit After Tax	1,731	4,765	1,527	751	749	491	306	481
PAT y-o-y Growth	37.6%	64.8%	44.6%	20.8%	37.4%	14.1%	33.9%	13.2%
Yield on Advances (%)	10.2%	9.9%	11.0%	10.6%	14.8%	13.6%	14.5%	16.4%
Cost of Borrowings (%)	7.6%	7.4%	7.8%	7.3%	7.6%	7.5%	8.3%	8.7%
Spread (%)	2.6%	2.5%	3.1%	3.3%	7.2%	6.1%	6.4%	7.7%
NIM (Net Interest Margin)/ NTI (Net Total Income) (%)	4.1%	3.2%	4.5%	3.9%	10.0%	9.4%	9.3%	12.5%
Opex to Avg. AR (%)	1.0%	0.4%	1.0%	0.8%	3.5%	4.3%	3.3%	2.5%
Opex to Net Total Income (%)	24.0%	13.0%	22.4%	19.9%	34.9%	45.6%	35.2%	20.1%
Credit Cost (%)	0.1%	0.6%	0.3%	0.2%	0.3%	0.2%	0.4%	0.3%
RoAA (%)	2.4%	1.7%	2.5%	2.3%	4.9%	3.9%	4.3%	7.5%
RoAE (%)	15.2%	16.3%	11.8%	18.8%	18.4%	13.9%	15.5%	14.7%
CRAR (%)	21.3%	18.2%	29.3%	24.6%	38.5%	44.0%	39.5%	66.8%
CRAR (%) - Tier 1	20.7%	16.6%	27.9%	NA	NA	43.8%	39.1%	NA
Leverage (TA/TE)	6.7	9.3	4.8	8.4	4.3	4.4	4.5	22.0
Debt to Equity Ratio	5.7	8.0	3.7	7.3	3.1	3.3	3.4	1.2
Borrowing Mix								
Bank Borrowings	51.3%	34.0%	40.2%	59.0%	55.0%	47.5%	62.0%	63.0%
NCD	34.7%	52.0%	9.6%	17.0%	20.0%	9.0%	3.0%	5.0%
NHB	9.9%	4.0%	9.2%	16.0%	25.0%	19.6%	18.0%	24.0%
Commercial Paper	3.8%	5.0%	6.0%	7.0%	-	-	NA	-
ICD/ Deposits	0.3%	4.0%	32.3%	-	-	-	NA	-
Others	-	1.0%	2.6%	1.0%	0.0%	23.9%	17.0%	8.0%
Earnings per Share								
Basic	2.6	86.6	59.1	56.4	19.0	62.0	34.7	9.6
Diluted	2.6	86.6	58.9	56.4	18.3	61.9	33.7	9.6
Asset Quality Metrics								
GNPA (%)	0.3%	3.3%	1.5%	0.8%	1.1%	0.9%	1.7%	1.1%
NNPA (%)	0.1%	1.6%	1.0%	0.4%	0.7%	0.7%	1.2%	0.8%
Provision Coverage Ratio (%)	63.7%	50.8%	36.7%	48.8%	40.9%	28.7%	29.4%	25.2%

Source:RHP

Metrics	As at March 31st, 2023							
	Bajaj Housing Finance	LIC Housing Finance	PNB Housing Finance	Can Fin Homes	Aadhar Housing Finance	Aavas Financiers	Home First Finance Co	Aptus Value Housing Finance
Footprint/ Presence								
No of States/UTs	20	26	20	21	20	12	13	5
No of Branches	208	281	189	205	469	346	111	231
No of Locations	162	NA	NA	NA	NA	NA	NA	NA
No of Employees	2,788	2,462	1,690	NA	NA	6,034	993	2,405
Portfolio Cuts								
AUM	69,278	2,75,047	66,617	31,563	17,223	14,167	7,198	5,761
AUM y-o-y Growth	29.8%	9.5%	-0.5%	18.2%	16.5%	24.8%	33.8%	28.3%
Disbursement	34,334	64,115	14,965	8,947	5,903	5,025	3,013	NA
Disbursement y-o-y Growth	31.2%	3.7%	33.1%	8.1%	47.9%	39.5%	48.4%	NA
Product-wise AUM								
Home Loan (“HL”)	61.7%	83.2%	66.7%	79.0%	78.1%	69.9%	88.0%	65.0%
Loan Against Property (“LAP”)	11.3%	10.0%	23.0%	5.0%	21.9%	19.7%	11.0%	NA
Lease Rental Discounting (“LRD”)	16.3%	NA	1.0%	NA	NA	NA	NA	NA
Developer Finance (“DF”)	8.2%	4.3%	NA	NA	NA	NA	NA	NA
Others	2.5%	2.5%	NA	NA	NA	10.4%	1.0%	35.0%
AUM Mix								
On-book	89.7%	97.4%	86.9%	98.8%	80.4%	81.0%	83.3%	100.0%
Off-book	10.3%	2.6%	13.1%	1.2%	19.6%	19.0%	16.7%	0.0%
HL AUM Mix (by Customer Type)								
Salaried	90.5%	88.0%	58.7%	73.0%	61.5%	39.9%	70.0%	NA
Self-employed Professionals	5.2%	NA	NA	NA	NA	NA	NA	NA
Self-employed Non-Professionals	4.3%	12.0%	41.3%	27.0%	38.5%	60.1%	30.0%	71.0%
HL AUM Mix (by Sourcing Channel)								
Direct	50.2%	22.0%	59.0%	NA	58.2%	NA	NA	100.0%
Indirect	49.8%	78.0%	41.0%	NA	41.8%	NA	NA	NA
HL								
ATS (at Origination)	4.6	2.6+	2.9	2.5	1.0	1.0	1.1	1.0
LTV (at Origination)	71.3%	47.0%	71.0%	NA	63.7%	NA	NA	NA
% of AUM with CIBIL Score >750 (at Origination)	76.7%	NA	NA	NA	NA	NA	NA	NA
LAP								
ATS (at Origination)	4.9	NA	3.3	NA	0.8	0.7	NA	NA
LTV (at Origination)	52.80%	NA	<50%	NA	44.6%	NA	NA	NA
SORP %	71.20%	NA	NA	NA	NA	NA	NA	NA
Productivity Metrics								
AUM/Branch	333	979	353	154	37	41	65	25
AUM/Employee	25	112	39	32	5	3	7	2
Financial Metrics								
Net Worth	10,503	27,100	10,953	3,647	3,696	3,270	1,817	3,111
Total Income	5,665	22,674	6,492	2,743	1,994	1,611	796	964
Net Total Income	2,454	6,488	2,593	1,042	1,195	1,020	491	722
Profit After Tax	1,258	2,891	1,056	621	545	430	228	425
PAT y-o-y Growth	77.2%	26.4%	28.5%	31.9%	22.5%	20.5%	22.7%	37.8%
Yield on Advances (%)	9.7%	8.8%	10.9%	9.4%	13.8%	13.5%	14.0%	17.4%
Cost of Borrowings (%)	6.7%	6.9%	7.3%	6.3%	7.0%	6.6%	7.3%	8.3%
Spread (%)	3.0%	1.9%	3.6%	3.1%	6.8%	6.9%	6.7%	9.1%
NIM (Net Interest Margin)/ NTI (Net Total Income) (%)	4.5%	2.5%	4.6%	3.6%	9.3%	9.9%	9.6%	14.0%
Opex to Avg. AR (%)	1.2%	0.4%	0.9%	0.6%	3.3%	4.4%	3.4%	2.7%
Opex to Net Total Income (%)	25.7%	15.2%	20.6%	16.9%	35.6%	44.1%	35.5%	19.7%
Credit Cost (%)	0.2%	0.8%	1.2%	0.1%	0.4%	0.1%	0.4%	0.6%
RoAA (%)	2.3%	1.1%	1.9%	2.2%	4.2%	4.2%	4.4%	8.2%
RoAE (%)	14.6%	11.2%	10.2%	18.5%	15.9%	14.2%	13.5%	14.5%
CRAR (%)	23.0%	18.2%	24.4%	23.1%	42.7%	47.0%	49.4%	80.8%
CRAR (%) - Tier 1	22.2%	16.6%	22.4%	21.7%	41.7%	46.7%	48.9%	76.6%
Leverage (TA/TE)	6.2	10.3	6.1	9.1	4.5	4.1	3.7	2.1
Debt to Equity Ratio	5.1	9.0	4.9	8.0	3.3	3.0	2.6	1.1
Borrowing Mix								
Bank Borrowings	58.9%	34.0%	42.2%	54.0%	53.8%	45.0%	60.0%	60.0%
NCD	36.3%	50.0%	9.8%	17.0%	20.9%	12.2%	6.0%	10.0%
NHB	3.7%	5.0%	5.7%	23.0%	24.7%	20.8%	15.0%	26.0%

Commercial Paper	0.8%	5.0%	NA	5.0%	NA	NA	NA	NA
ICD/ Deposits	0.3%	5.0%	32.1%	NA	NA	NA	NA	NA
Others	-	1.0%	10.2%	1.0%	0.5%	22.0%	19.00%	4.0%
Earnings per Share								
Basic	1.9	52.6	53.7	46.7	13.8	54.4	26	8.5
Diluted	1.9	52.6	53.7	46.7	13.4	54.3	25.2	8.5

Source: RHP

Metrics	As at March 31 st , 2023							
	Bajaj Housing Finance	LIC Housing Finance	PNB Housing Finance	Can Fin Homes	Aadhar Housing Finance	Aavas Financiers	Home First Finance Co	Aptus Value Housing Finance
Asset Quality Metrics								
GNPA (%)	0.2%	4.4%	3.8%	0.6%	1.2%	0.9%	1.6%	1.2%
NNPA (%)	-	2.5%	2.8%	0.3%	0.8%	0.7%	1.1%	0.9%
Provision Coverage Ratio (%)	63.6%	43.3%	27.9%	52.7%	34.2%	26.1%	31.3%	25.2%

Source: Financial information of BHFL is from Restated statement, and all the financial information for listed industry peers mentioned above is on a standalone basis and is extracted or derived from their audited financial statements for the year ended March 31, 2024, as available on the website of the stock exchanges and the respective companies.

Restated Statement of Cash Flows

(INR cr)

	For the 3 months ended June 30		As at March 31,		
	2024	2023	2024	2023	2022
Profit before tax	629.88	526.24	2,161.32	1,700.06	959.86
Adjustments Related to Non-Cash & Non-Operating Items	117.92	73.39	(99.37)	(128.13)	(260.09)
Operating Profits before Working Capital Changes	747.80	599.63	2,061.95	1,571.93	699.77
Adjustments for Changes in Working Capital	(6,011.38)	(4,132.24)	(16,963.70)	(15,505.12)	(12,937.95)
Net cash generated from operations before tax	(5,263.58)	(3,532.61)	(14,901.75)	(13,933.19)	(12,238.18)
Income tax paid (net)	(123.37)	(88.64)	(526.36)	(398.58)	(242.35)
Net cash generated from operating activities (a)	(5,386.95)	(3,621.25)	(15,428.11)	(14,331.77)	(12,480.53)
Net cash used in investing activities (b)	(625.41)	(533.94)	273.31	(611.44)	2,197.32
Net cash used in financing activities (c)	6,005.22	4,663.94	15,124.78	14,630.06	10,228.46
Net (decrease) / increase in cash and cash equivalents during the period	(7.14)	508.75	(30.02)	(313.15)	(54.75)
Add: Cash and cash equivalents as at the beginning of the period	63.86	93.88	93.88	407.03	461.78
Cash and cash equivalents as at the end of the period	56.72	602.63	63.86	93.88	407.03

Source: RHP

DISCLAIMER

The information and opinions contained herein have been compiled or arrived at based on the information obtained in good faith from sources believed to be reliable. Such information has not been independently verified and no guaranty, representation of warranty, express or implied, is made as to its accuracy completeness or correctness. This document is for information purposes only. This report is based on information that we consider reliable; we do not represent that it is accurate or complete and one should exercise due caution while acting on it. Description of any company(ies) or its/their securities mentioned herein are not complete and this document is not and should not be construed as an offer or solicitation of an offer to buy or sell any securities or other financial instruments. Past performance is not a guide for future performance, future returns are not guaranteed and a loss of original capital may occur. All opinions, projections and estimates constitute the judgment of the author as on the date of the report and these, plus any other information contained in the report, are subject to change without notice. Prices and availability of financial instruments are also subject to change without notice. This report is intended for distribution to institutional investors.

This report is not directed to or intended for display, downloading, printing, reproducing or for distribution to or use by, any person or entity that is a citizen or resident or located in any locality, state, country or other jurisdiction where such distribution, publication, reproduction, availability or use would be contrary to law or regulation or what would subject to SSSIL or its affiliates to any registration or licensing requirement within such jurisdiction. If this report is inadvertently sent or has reached any individual in such country, especially USA, the same may be ignored and brought to the attention of the sender. Neither this document nor any copy of it may be taken or transmitted into the United States (to U.S. persons), Canada, or Japan or distributed, directly or indirectly, in the United States or Canada or distributed or redistributed in Japan or to any resident thereof. Any unauthorized use, duplication, redistribution or disclosure of this report including, but not limited to, redistribution by electronic mail, posting of the report on a website or page, and/or providing to a third party a link, is prohibited by law and will result in prosecution. The information contained in the report is intended solely for the recipient and may not be further distributed by the recipient to any third party.

SSSIL generally prohibits its analysts, persons reporting to analysts, and members of their households from maintaining a financial interest in the securities or derivatives of any companies that the analysts cover. Additionally, SSSIL generally prohibits its analysts and persons reporting to analysts from serving as an officer, director, or advisory board member of any companies that they cover. Our salespeople, traders, and other professionals or affiliates may provide oral or written market commentary or trading strategies to our clients that reflect opinions that are contrary to the opinions expressed herein. Our proprietary trading and investing businesses may make investment decisions that are inconsistent with the recommendations expressed herein. The views expressed in this research report reflect the personal views of the analyst(s) about the subject securities or issues and no part of the compensation of the research analyst(s) was, is, or will be directly or indirectly related to the specific recommendations and views expressed by research analyst(s) in this report. The compensation of the analyst who prepared this document is determined exclusively by SSSIL; however, compensation may relate to the revenues of the Systematix Group as a whole, of which investment banking, sales and trading are a part. Research analysts and sales persons of SSSIL may provide important inputs to its affiliated company(ies).

Foreign currencies denominated securities, wherever mentioned, are subject to exchange rate fluctuations which could have an adverse effect on their value or price or the income derived from them. In addition, investors in securities such as ADRs, the values of which are influenced by foreign currencies, effectively assume currency risk. SSSIL, its directors, analysts or employees do not take any responsibility, financial or otherwise, of the losses or the damages sustained due to the investments made or any action taken on the basis of this report including but not restricted to fluctuation in the prices of shares and bonds, changes in the currency rates, diminution in the NAVs, reduction in the dividend or income, etc.

SSSIL and its affiliates, officers, directors, and employees subject to the information given in the disclosures may: (a) from time to time, have long or short positions in, and buy or sell, the securities thereof, of company (ies) mentioned herein or (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation (financial interest) or act as a market maker in the financial instruments of the company (ies) discussed herein or act as advisor or lender / borrower to such company (ies) or have other potential material conflict of interest with respect to any recommendation and related information and opinions. The views expressed are those of the analyst and the company may or may not subscribe to the views expressed therein.

SSSIL, its affiliates and any third party involved in, or related to, computing or compiling the information hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability or fitness for a particular purpose with respect to any of this information. Without limiting any of the foregoing, in no event shall SSSIL, any of its affiliates or any third party involved in, or related to, computing or compiling the information have any liability for any damages of any kind. The company accepts no liability whatsoever for the actions of third parties. The report may provide the addresses of, or contain hyperlinks to, websites. Except to the extent to which the report refers to website material of the company, the company has not reviewed the linked site. Accessing such website or following such link through the report or the website of the company shall be at your own risk and the company shall have no liability arising out of, or in connection with, any such referenced website.

SSSIL will not be liable for any delay or any other interruption which may occur in presenting the data due to any technical glitch to present the data. In no event shall SSSIL be liable for any damages, including without limitation, direct or indirect, special, incidental, or consequential damages, losses or expenses arising in connection with the data presented by SSSIL through this presentation.



SSSIL or any of its other group companies or associates will not be responsible for any decisions taken on the basis of this report. Investors are advised to consult their investment and tax consultants before taking any investment decisions based on this report.

Systematix Shares and Stocks (India) Limited:

Registered and Corporate address: The Capital, A-wing, No. 603 – 606, 6th Floor, Plot No. C-70, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051
 CIN - U65993MH1995PLC268414 | BSE SEBI Reg. No.: INZ000171134 (Member Code: 182) | NSE SEBI Reg. No.: INZ000171134 (Member Code: 11327) | MCX SEBI Reg. No.: INZ000171134 (Member Code: 56625) | NCDEX SEBI Reg. No.: INZ000171134 (Member Code: 1281) | Depository Participant SEBI Reg. No.: IN-DP-480-2020 (DP Id: 34600) | PMS SEBI Reg. No.: INP000002692 | Research Analyst SEBI Reg. No.: INH200000840 | Investment Advisor SEBI Reg. No.: INA000010414 | AMFI: ARN - 64917