SYSTEMATIX GROUP
Investments Re-defined

Systematix PCG Research

IPO NOTE

IPO ANALYSIS	
Sector: NBFC	
Issue Price: INR 700 to INR 740	
Issue Size: INR 12,500 Cr	
Issue Opens/Closes: June 25 / June 27	
IPO Basics	
Promoters: HDFC Bank Limited	
Selling Shareholders: HDFC Bank Limited	
Lead Managers: JM Financial Ltd, BNP Paribas, BofA Securities India Ltd, Goldman Sachs, HSBC Securities, IIFL Captial, Jefferies India Private Ltd, Morgan Stanley India Company Private Ltd, Nuvama Wealth Management Limited, UBS Securities India Private Ltd	
Registered Office: Ahmedabad, Gujarat	
Registrar: MUFG Intime India Pvt. Ltd	
Listing: BSE and NSE	

IPO Capital Structure	
Fresh Issue	3,37,83,784 equity shares upto INR 2,500 Cr
Offer for Sale	13,51,35,135 equity shares upto INR 10,000 Cr
Total Issue as % of total capital (Post-Issue)	20.40%
Post Issue No. of Shares	82,77,47,324
Post Issue Market Cap	INR 58,205 Cr – INR 61,388 Cr
Face Value	INR 10
Employee Reservation Portion	INR 20 Cr
HDFC Bank Shareholder Reservation Portion	INR 1,250 Cr
Issue Route	Book Build Issue

All values calculated at upper band

Financial Snapshot (INR in crs)			
Y/E Mar	**FY23**	**FY24**	**FY25**
Equity Share Capital	791.40	793.08	795.78
Other Equity	10,645.57	12,949.63	15,023.97
Net Worth (as stated)	10,436.09	12,802.76	14,936.50
Net Interest Income	5,415.86	6,292.40	7,445.64
EBITDA	6,251.16	8,314.13	9,512.37
Profit / (loss) before tax	2,627.40	3,304.67	2,927.80
Profit / (loss) after tax	1,959.35	2,460.84	2,175.92
Return on Average Equity (%)	18.68%	19.55%	14.72%
Return on Assets (%)	2.97%	3.03%	2.16%
Basic EPS (₹)	2.48	3.11	2.74
Debt to Equity Ratio (times)	5.26	5.81	5.85
Average Yield (%)	13.59%	13.92%	14.04%
Average Cost of Borrowings (%)	6.76%	7.53%	7.90%
Net Interest Margin (%)	8.25%	7.85%	7.56%
Net Non-Performing Assets (%)	0.95%	0.63%	0.99%
P/E (Based on Upper Band)			27.00
Average Industry P/E			23.20
P/B (Based on Upper Band)			3.72
Average Industry P/B			3.60

Shareholding Pattern		
Holders	**Pre-Issue**	**Post Issue**
Promoter	94.32%	74.19%
Public	5.44%	25.58%
Employee Trusts	0.24%	0.23%
Total	**100.00%**	**100.00%**

*Source: RHP, *not annualized , Source: RHP, ** after adjusting CCPS; Note the co. issued 26,270,100 bonus shares on June 4, 2024 and converted 290,597 outstanding CCPS into 23,922,450 Equity Shares on December 19, 2024. PE/PB based on upper price band*

Particulars	Retail Category	NII bid between INR 2 lakhs- INR 10 lakhs	NII bid above INR 10 lakhs
Minimum Bid Lot (Shares)	20	280	1,360
Minimum Bid Lot Amount	INR 14,800	INR 2,07,200	INR 10,06,400
No. of Appln for 1x	26,55,743	27,099	54,199

HDB Financial Services Ltd

June 20, 2025

Issue Highlights:

- Incorporated on June 4, 2007, HDB Financial Services Limited is the seventh largest leading, diversified retail-focused non-banking financial company ("NBFC") in India in terms of the size of Total Gross Loan book at ₹902.2 billion as at March 31, 2024, amongst their NBFC peers
- The Company is categorized as an Upper Layer NBFC (NBFC-UL) by the RBI. They offer a large portfolio of lending products that cater to a growing and diverse customer base through a wide omni-channel distribution network.
- The Company's lending products are offered through their three business verticals: Enterprise Lending, Asset Finance and Consumer Finance.
- The Company's total Gross Loans stood at ₹1,068.8 billion as at March 31, 2025, reflecting a CAGR of 23.54% between March 31, 2023 to March 31, 2025. Their assets under management stood at ₹1,072.6 billion as at March 31, 2025 reflecting a CAGR of 23.71% between Fiscal 2023 and Fiscal 2025.
- In Fiscal 2025, the Company generated a profit after tax of ₹21.8 billion, which reflected a CAGR of 5.38% between Fiscal 2023 and Fiscal 2025.
- The Company's total Gross Loans growth, operating efficiencies and strong asset quality helped them deliver Return on Assets of 2.16% and Return on Average Equity of 14.72% for Fiscal 2025, which is the seventh and fifth highest amongst their NBFC peers, respectively
- As at March 31, 2025, over 80% of the Company's branches are located outside India's 20 largest cities by population (based on the 2011 census report) and over 70% are located in Tier 4+ towns.
- The Company's focus has remained on building a highly granular loan book with their 20 largest customers accounting for less than 0.34% of their Total Gross Loans as at March 31, 2025.
- The Company is a diversified NBFC, with a goal of having an optimal mix across products, while maintaining a balanced approach to secured and unsecured loans in their loan book. Secured loans represented 73.01% of their Total Gross Loans and unsecured loans represented 26.99% of their Total Gross Loans as at March 31, 2025.

Key Risks:

The Company's Promoter may be required to significantly reduce its ownership in the Company, i.e., to less than 20% (or any such higher percentage with prior RBI approval) on account of overlapping business with their Promoter and one of the members of their Promoter Group if the draft circular issued by the RBI on October 4, 2024 is implemented in its current form.

Particulars	No of Shares at Lower Band (Cr.)	No of Shares at Upper Band (Cr.)	% Of Issue
QIB	8.93	8.45	50%
NIB	2.68	2.53	15%
Retail	6.25	5.91	35%
Total	**17.86**	**16.89**	**100.00%**

An Indicative Timetable Post Issue Closing	
Particulars	**Tentative Date**
Finalization of Basis of Allotment	June 30, 2025
Refunds/un-blocking of ASBA Accounts	July 1, 2025
Credit of Equity Shares to DP Ac	July 1, 2025
Trading Commences	July 2, 2025

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

BACKGROUND

Company and Directors

Incorporated on June 4, 2007, HDB Financial Services Limited is the seventh largest leading, diversified retail-focused non-banking financial company ("NBFC") in India in terms of the size of Total Gross Loan book at ₹902.2 billion as at March 31, 2024, amongst their NBFC peers..

Brief Biographies of Directors & Key Managerial Personnel

Arijit Basu is the Part- time Non-Executive Chairman of the Board and Independent Director of the Company. He has an experience of more than 40 years in the field of banking and financial services and was the managing director and wholetime director of State Bank of India ("SBI"). His career with the State Bank of India group spanned 37 years from December 1983 to October 2020. He was deputed by SBI as the managing director and chief executive officer of SBI Life Insurance Company Limited from July 2014 to March 2018. After retirement from the SBI, he has been serving on the board of various companies and in advisory roles. Presently, he is an independent director on the board of Prudential plc, and Peerless Hospitex and Hospital Research Centre Limited. He is a member of the advisory board of Razorpay and a senior advisor to Ares Management Corporation. He also serves as the chairman of the academic council of the college of supervisors of the Reserve Bank of India and is a member of the insurance advisory committee of the Insurance Regulatory and Development Authority of India

Dr. Amla Ashim Samanta is an Independent Director of the Company. She has over 34 years of experience in the medical, banking and finance sectors. She was on the board of Directors of HDFC Bank Limited, Manappuram Finance Limited, HDFC Securities Limited., Samanta Organics Private Limited., and Ashish Rang Udyog Pvt Ltd. She is a director of Samanta Movies Private Limited., and Shakti Cine Studio Private Limited.

A.K. Viswanathan is an Independent Director of the Company. He has over 35 years of experience in the field of finance, Information Technology Audit and cyber security. He is a retired partner of Deloitte Touche Tohmatsu India LLP ("Deloitte"). He was also associated with **S.B. Billimoria** & Co, Ernst and Young, Bahrain Airport Services, Metito Universal Limited, Russel Metals, and Nexdigm Private Limited. He is an Associate member of Information Systems Audit and Control Association. He is a certified coach in Marshall Goldsmith Stakeholders Center for Coaching.

Arundhati Mech is an Independent Director of the Company. She has over 36 years of experience in the finance sector. She was associated with RBI and has worked in various capacities before retiring from the position of regional director.
Jayesh Chakravarthi is an Independent Director of the Company. He has over 30 years of experience in the field of information technology. He is a former member of Bangalore Chamber of Industry & Commerce. He has previously been associated with Wipro Limited, Sun Microsystems, Inc., MindTree Limited and Fidelity Business Services India Private Investments. He is also on board of directors for Recast Technologies Private Limited.

Jayant Purushottam Gokhale is an Independent Director of the Company. He has over 41 years of experience in the field of audit, finance, accounting and taxation. He currently is a member of the committee of the RBI for merger / amalgamation of Urban Co-op Banks. He is a founder partner of Gokhale & Sathe Chartered Accountants, Mumbai.

Bhaskar Sharma is an Independent Director of the Company. He has over 21 years of experience in the field of marketing. He has previously been held leadership positions with Unilever and Red Bull India Private Limited. He is on the board of directors of the Polycab India Limited and European Business Group (EBG). He is a member of the board of studies for courses at Narsee Monjee Institute of Management Studies, Mumbai and a partner at Social Venture Partners.

Jimmy Minocher Tata is the Non-Executive Director (Non-Independent) of the Company. He has over 33 years of experience in the field of banking and finance. He has been associated with their Promoter, HDFC Bank Limited since 1994. He has previously been associated with Apple Finance Limited.

Ramesh Ganesan is the first employee associated with the Company since September 3, 2007 as Manager under the Companies Act 1956 and designated as Chief Operating Officer and currently the Managing Director and Chief Executive Officer of the Company. He has over 32 years of experience in business development, banking, consumer finance and operations. He has in the past been associated with companies such as Countrywide Consumer Financial Services Limited and HDFC Bank Limited. He was also associated with Enam Asset Management Company Private Limited, Godrej & Boyce and Intelenet Global Services Private Limited.

OBJECTS OF THE ISSUE

Fresh Issue: The Net Proceeds are proposed to be utilised towards augmentation of the Company's Tier – I Capital base to meet the Company's future capital requirements including onward lending under any of the Company's business verticals i.e. Enterprise Lending, Asset Finance and Consumer Finance which are expected to arise out of the growth in the Company's business and assets, and to ensure compliance with regulatory requirements on capital adequacy prescribed by the RBI from time to time

BUSINESS OVERVIEW

The Company's diversified product portfolio serves multiple credit needs of customers across three business verticals:

- **Enterprise Lending,** secured and unsecured loans primarily to micro, small and medium enterprises ("MSMEs") to meet their varied and evolving business needs**.**
- **Asset Finance,** secured loans for purchase of new and used commercial vehicles, construction equipment and tractors**.**
- **Consumer Finance,** secured and unsecured loans for purchase of consumer durables, digital and lifestyle products, two-wheelers, automobiles & other unsecured personal loans

COMPETITIVE STRENGTHS

Highly granular retail loan book, bolstered by a large and rapidly growing customer base with a focus on serving the underbanked customer segments: The Company is India's second largest and third fastest growing customer franchise amongst their NBFC peers and they have served 19.2 million customers as at March 31, 2025, which grew at a CAGR of 25.45% between March 31, 2023 and March 31, 2025. The growth of their customer base is supported by the government's policies aiming to promote financial inclusion for the middle-class. Their customers are primarily composed of middle-class salaried and self-employed individuals, as well as small business owners and entrepreneurs.

Large, diversified and seasoned product portfolio with a sustainable track record of diversification, growth and profitability through the cycles: The Company has built a balanced and diversified portfolio of lending products that seek to fulfil a wide range of needs and aspirations for their customers, including their underbanked customers. As at March 31, 2025, their product portfolio consisted of 13 lending products spanning across their three business verticals of Enterprise Lending, Asset Finance and Consumer Finance.

Tailored sourcing supported by an omni-channel and digitally powered pan-India distribution network: The Company's phygital sourcing network is composed of their own internal distribution network, their external distribution network as well as their digital capabilities. They have a pan-India presence with no region accounting for more than 35% of their Total Gross Loans as at March 31, 2025. Given the highly fragmented geographic dispersion of India's underbanked population beyond the metropolitan cities, they have further tailored their distribution presence to strengthen their visibility beyond metropolitan cities and towns in India. They have customized different sourcing strategies for each of their business verticals to optimise distribution.

Comprehensive systems and processes contributing to robust credit underwriting and strong collections: A key focus of the Company's credit risk management framework has been to establish strong credit underwriting and collections capabilities which has ensured their sustainable growth. They have instituted a robust and comprehensive underwriting and collections process led by their Chief Credit Officer and supported by a dedicated and experienced team of professionals.

Advanced technology tools driving enhanced customer experience and efficiency across each stage of the customer lifecycle: The Company has an advanced technology and data analytics platform that covers all key areas and stages of their business, including customer sourcing, onboarding and underwriting as well as operations and collections. As such, their technology capabilities are benefiting their customers, their third-party partners as well as their sales teams. They believe their technology platform provides them with a competitive advantage by increasing their efficiency in sourcing and retaining revenue, increasing employee productivity and optimising their cost of operations. Their advanced technology and data analytics are also an important part of maintaining their credit quality.

High-quality liability franchise with access to low cost, diversified borrowing sources and the highest credit rating: The Company has a diversified liability franchise supported by a strong credit rating of AAA stable by CRISIL and CARE, which is the highest that can be assigned on the credit rating scale for any NBFC in India. This has allowed them to fund their operations at competitive rates and tenors across fixed and floating-rate debt instruments. Their Average Cost of Borrowings stood at 7.90% as at March 31, 2025, which is the sixth lowest amongst competitors.

Track record of robust financial performance with sustainable and profitable growth: The Company has an established track record of delivering robust financial performance. Their Total Gross Loan book has grown from ₹700.3 billion as of Fiscal 2023 to ₹1,068.8 billion as of Fiscal 2025, reflecting a CAGR of 23.54%. Their interest income has grown at a CAGR of 24.49% from ₹89,277.8 million during Fiscal 2023 to ₹138,357.9 million during Fiscal 2025, driven by a growing yield on their Total Gross Loan book, from 13.59% in Fiscal 2023 to 14.04% in Fiscal 2025.

Stable, highly experienced and professional management team supported by a talented workforce: The Company is led by a management team with deep industry experience of over 25 years each in the retail banking and lending sectors. A number of key members of their management team have been with the Company since its early days of inception. Their management team is backed by a distinguished Board of Directors composed of 9 members, including 7 independent members, experienced in diversified fields allowing them to navigate diverse challenges and capitalize on opportunities for growth.

Distinguished parentage of HDFC Bank, India's largest private bank, enjoying strong trust and brand equity with consumers: The Company was established in 2007 as a subsidiary of HDFC Bank. Their Promoter, HDFC Bank, held 94.09% of the issued paid up capital of the Company (on a fully diluted basis) as of March 31, 2025. HDFC Bank is India's largest private sector bank in terms of total assets of ₹39,102.0 billion as at March 31, 2025, with businesses (including those of its subsidiaries) spanning across retail and commercial banking, asset management, life insurance, general insurance and brokering. Their Promoter was established in 1994 by HDFC Limited, India's largest housing finance company, which merged with HDFC Bank in July 2023

KEY BUSINESS STRATEGIES

Diversify and expand their addressable customer segments by widening and enhancing their product offering: The Company has created a highly diversified portfolio of lending products for their target customer segments. Their products are designed to address demands across the lifecycle of their customer segments. Product innovation has been a key focus area and driver of their diversified and sustainable growth in the past and they will continue to keep adding new products to their portfolio while enhancing their existing products to improve their value proposition to customers. For example, their Two Wheeler Loans largely entailed a manual underwriting process. To improve their customer journey, they deployed an automated underwriting process that involved the creation of real time customer scorecards, leading to quick credit decisions. This enabled them to cater to and address a larger customer segment across geographies in a consistent manner.

Continue to expand their pan-India omni-channel distribution network: The Company has established a pan-India hybrid presence, with a physical branch country-wide network of over 1,771 physical branches spread across over 1,170 Indian towns and cities located in 31 States and Union Territories as at March 31, 2025, combined with a digitally powered distribution network composed of in-house and third-party channels. In addition, they had over 80 OEM and brand partnerships and a network of over 140,000 retailers and dealer touchpoints as at March 31, 2025. They intend to continue to grow and diversify their distribution network by opening additional new branches to expand their coverage across the entirety of India while also deepening their relationships with OEMs, dealers, brands, points of sales distribution and DSAs, and continuing to add more partners, with the goal of ensuring that they are present in all channels wherever their existing and target customers are located

Continue to invest in technology, data analytics and artificial intelligence to further improve customer experience, increase organisational productivity and decrease costs: The Company's technology platform has been a core enabler of their success and it will continue to have a key role in driving up their efficiency across their operations. Their technology investments are expected to continue to improve various aspects of their business from the experience of their customers to the lending lifecycle from origination to repayment. Their technological solutions also have an important role in their ability to increase cross-sell and up-sell opportunities, increase underwriting and collections efficiency and enhance employee productivity. They expect to continue to increase the scope of usage of new and emerging technologies such as data analytics, machine learning and generative AI models to further improve their capabilities and efficiency. They will also focus on ensuring that their data security platforms are positioned to handle all emerging digital threats.

Continue to diversify their borrowing profile to optimise borrowings costs: The Company aims to continue to further diversify their funding sources by enlarging and deepening their lender base to optimise both their leverage level and their Average Cost of Borrowings. For example, they increased their external commercial borrowings ("ECBs") in Fiscal 2025 to a total of USD 1,050.0 million as of March 31, 2025. Their other diversified funding sources include public sector, private sector, foreign banks, mutual funds, insurance companies, pension funds and financial institutions. They raise funds through term loans, non-convertible debentures ("NCDs"), subordinated bonds, ECBs, perpetual bonds and commercial papers instruments.

Further strengthen and improve their robust risk management framework as well as underwriting and collections capabilities to minimise the risk of credit losses: As the Company plans to grow their customer franchise, they intend to focus on enhancing their robust risk-management framework to ensure they are able to retain their high credit quality. Through their history of operations over the last 17 years, they have leveraged their deep understanding of customer behaviour and their distinguished risk assessment, pricing and underwriting capability to develop a suite of lending products that fulfil the diverse needs of customers, covering segments across their three business verticals. They continue to upgrade their credit underwriting, collections and risk management policies and strategies by training their employees in their customised credit assessment processes, using technology and improving the speed of their decisioning process.

Continue to attract, upskill and retain talented employees by strengthening their organizational culture: The Company's employees have been key to their sustainable growth and performance and will continue to be instrumental in their future growth. They have instituted strong processes for ensuring that they continue to recruit the right people while retaining and training their existing workforce. They also train their new employees and provide continuous training to boost the skills of their existing employees, ensuring that they are kept up to date with new technologies. Further, they have created a holistic organisational culture to instil a strong sense of togetherness in their employees. Their culture is focused on driving growth while ensuring prudence and sustainability, so that their growth does not compromise their customer experience. They intend to continue to deepen and embed this culture in their organisation and create a valuable consumer lending franchise that will last for generations and benefit their customers, partners, employees and communities

COMPARISON WITH INDUSTRY PEERS

Following is a comparison of certain accounting ratios of the Company against companies considered as peers. The peer group of the Company has been determined on the basis of companies listed on Indian stock exchanges, whose business profile is comparable to our businesses in terms of our size and our business model.

Company	FV/Share (₹)	EPS (Basic)	Return on Average Equity (%)	NAV (₹ per share)	P/E (times)	CMP (₹)
HDB Financial Services Limited	10	27.4	14.72	198.8	[●]	[●]
Listed peers						
Bajaj Finance Limited	1*	26.89	19.35	155.60	34.30	898.00
Sundaram Finance Limited	10	170.53	15.48	1,187.8	28.10	4,730.00
L&T Finance Limited	10	10.61	10.79	102.50	17.90	187.13
M&M Financial Services Limited	2	18.32	10.91	154.9	14.50	260.70
Cholamandalam Investment and Finance Company Limited	2	50.72	19.71	281.50	31.40	1,546.00
Shriram Finance Limited	2	50.82	18.17	300.30	13.00	648.30

Restated Statement of Profit and Loss

Particulars(In Rs Cr)	FY2025	FY2024	FY2023
Income			
Revenue from operations			
Interest income	13,835.79	11,156.72	8,927.78
Sale of services	1,216.66	1,949.55	2,633.93
Other financial charges	1,192.45	953.11	756.41
Net gain on fair value changes	54.92	113.69	85.07
Net gain / (loss) on derecognition of financial instruments under amortised cost category	0.46	-1.95	-0.31
Total revenue from operations	**16,300.28**	**14,171.12**	**12,402.88**
Expenses			
Finance costs	6,390.15	4,864.32	3,511.92
Impairment on financial instruments	2,113.05	1,067.39	1,330.40
Employees benefits expenses	3,619.57	3,850.75	4,057.57
Depreciation, amortization and impairment	194.42	145.14	111.84
Other expenses	1,055.29	938.85	763.75
Total expenses	**13,372.48**	**10,866.45**	**9,775.48**
Profit/ (loss) before tax	**2,927.80**	**3,304.67**	**2,627.40**
Tax expense:			
(i) Current tax	739.19	770.67	621.30
(ii) Deferred tax/ (credit)	72.80	73.16	46.75
(iii) Income tax for earlier year	-60.11	-	
Total tax expense	751.88	843.83	668.05
Restated Profit after tax	**2,175.92**	**2,460.84**	**1,959.35**
Other comprehensive income/ (loss)			
a)Items that will not be reclassified to profit or loss			
i. Remeasurement loss on defined benefit plans	-9.48	-31.54	-5.48
ii. Income tax relating to items that will not be reclassified to profit or loss	2.38	7.94	1.38
Sub-total (a)	-7.10	-23.60	-4.10
i. Movement in Cash flow hedge reserve	-54.50	-17.10	19.59
ii. Income relating to items that will be reclassified to profit or loss	13.72	4.30	-4.93
Sub-total (b)	-40.78	-12.80	14.66
Other comprehensive income	-47.88	-36.40	10.56
Total comprehensive income for the period	**2,128.04**	**2,424.44**	**1,969.91**
Earnings per equity share			
Basic (in ₹)	27.4	31.08	24.78
Diluted (in ₹)	27.32	31.04	24.76

Source: RHP

Statement of Assets and Liabilities

Particulars(In Rs Cr)	FY2025	FY2024	FY2023
ASSETS:			
Financial Assets			
(a) Cash and cash equivalents	950.46	647.85	395.90
(b) Bank balances other than (a) above	33.81	54.66	257.92
(c) Derivative financial instruments	108.00	1.91	165.34
(d) Trade receivables	225.17	124.61	65.76
(c) Loans	1,03,343.04	86,721.26	66,382.67
(f) Investments	2,060.13	3,380.33	1,243.25
(g) Other financial assets	47.65	39.50	34.87
Total Financial Assets	**1,06,768.26**	**90,970.12**	**68,545.71**
2 Non-Financial Assets			
(a) Current tax assets (Net)	76.89	41.29	25.11
(b) Deferred tax assets (Net)	883.25	939.95	1,000.87
(c) Property, plant and equipment	243.12	162.53	122.37
(d) Other intangible assets	32.30	22.15	20.41
(c) Right of use Assets	459.67	326.51	244.27
(f) Other non-financial assets	199.80	93.96	91.65
Total Non-Financial Assets	1,895.03	1,586.39	1,504.68
TOTAL ASSETS	**1,08,663.29**	**92,556.51**	**70,050.39**
LIABILITIES AND EQUITY:			
Liabilities			
Financial Liabilities			
(a) Derivative financial instruments	2.06	4.77	-
(b) Trade payables			
(i) Total outstanding dues of micro enterprises and small enterprises	-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises	452.68	509.00	291.84
and small enterprises			
(c) Debt securities	39,465.17	34,851.12	27,096.41
(d) Borrowings (other than debt securities)	41,928.89	33,831.38	24,227.80
(c) Subordinated liabilities	6,003.71	5,648.17	3,541.10
(f) Other financial liabilities	3,944.08	2,955.27	2,778.43
Total Financial Liabilities	**91,796.59**	**77,799.71**	**57,935.58**
Non-Financial Liabilities			
(a) Current tax liabilities (net)	65.66	58.65	41.97
(b) Provisions	564.51	502.94	368.96
(c) Other non-financial liabilities	416.78	452.50	266.91
Total Non-Financial Liabilities	1,046.95	1,014.09	677.84
Equity			
(a) Equity share capital	795.78	793.08	791.40
(b) Other equity	15,023.97	12,949.63	10,645.57
Total Equity	15,819.75	13,742.71	11,436.97
TOTAL LIABILITIES AND EQUITY	**1,08,663.29**	**92,556.51**	**70,050.39**

Source: RHP

Restated Statement of Cash Flows

Particulars (In Rs Cr)	FY2025	FY2024	FY2023
Cash flow from operating activities			
Profit/(loss) before tax	2,927.80	3,304.67	2,627.40
Adjustments for Interest Income	-13,835.79	-11,156.72	-8,927.78
Interest Expenses	6,263.50	4,771.63	3,502.92
(Profit)/loss on sale of asset	-0.20	-0.85	-1.01
Realised net loss/ (gain) on FVTPL investments	-58.21	-89.91	-90.67
Unrealised gain on FVTPL investments	3.29	-23.78	5.60
Discount on commercial paper	99.25	77.01	9.00
Provision for compensated absence and gratuity	11.54	29.87	6.59
Employee share based payment expenses	62.48	55.24	43.64
Depreciation amortization and impairment	194.42	145.14	111.84
Impairment on financial instruments	2,113.05	1,067.39	1,330.40
Operating cash flow before working capital changes	-2,218.87	-1,820.31	-1,382.07
Adjustments for working capital changes:			
(Increase)/ decrease in Loans	-18,720.91	-21,405.98	-10,462.68
(Increase) decrease in trade receivables	-99.52	-58.85	76.06
(Increase) decrease in other financial assets and others	-400.29	291.32	-0.19
Increase/(decrease) in other financial and non-financial liabilities & provisions	712.06	-44.60	506.53
Increase/(decrease) in trade payables	-56.32	217.16	44.93
Cash generated from/(Used in) operations before adjustments for interest received and interest paid	-20,783.84	-22,821.26	-11,217.42
Interest Paid	-5,810.74	-4,110.50	-3,842.14
Interest Received	13,663.02	10,946.14	8,841.36
Cash generated rom/(Used in) operations	-12,931.56	-15,985.62	-6,218.20
Direct taxes (paid)/net of refunds	-694.77	-750.42	-632.41
Net cash flow generated from/(used in) operating activities (A)	**-13,626.33**	**-16,736.04**	**-6,850.61**
Cash flow from investing activities			
Purchase of investments	-42,427.90	-52,917.26	-49,267.66
Sale of investments	43,794.86	50,893.87	50,350.80
Purchase of fixed assets	-209.79	-123.35	-111.32
Sale of fixed assets	1.85	1.18	1.50
Net cash generated (used in)/ from investing activities (B)	**1,159.02**	**-2,145.56**	**973.32**
Cash flow from financing activities			
Proceeds from Share application money pending allotment	-	-	-
Proceeds from issue of shares and security premium	124.62	71.45	33.93
Repayment of lease liabilities	-100.47	-80.87	-76.81
Dividend paid	-238.10	-245.38	-150.25
Net cash generated (used in)/ from financing activities (C)	**12,769.92**	**19,133.55**	**5,795.99**
Net (decrease)/increase in cash and cash equivalents (A+B+C)	**302.61**	**251.95**	**-81.30**
Add Cash and cash equivalents as at the beginning of the year	647.85	395.90	477.20
Cash and cash equivalents as at the end of the year.	950.46	647.85	395.90
. Components of cash and cash equivalents			
Balances with banks	909.61	606.10	358.51
Demand drafts on hand	5.63	6.30	8.87
Cash on hand	**35.22**	**35.45**	**28.52**

Source: RHP

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