

July 18, 2025

## Q1FY26 Result Update

☑ Change in Estimates | ☑ Target | ■ Reco

### Change in Estimates

	Current		Previous	
	FY26E	FY27E	FY26E	FY27E
Rating	BUY		BUY	
Target Price	5,700		4,600	
Revenue (Rs. m)	39,609	44,223	38,664	42,508
% Chg	2.4	4.0		
Opex (Rs. m)	8,945	9,686	8,938	9,678
% Chg	0.1	0.1		
Core EPS (Rs.)	109.0	122.8	105.7	116.7
% Chg	3.2	5.2		

### Key Financials - Standalone

Y/e Mar	FY24	FY25	FY26E	FY27E
Revenue (Rs m)	25,844	34,980	39,609	44,223
Opex	6,842	7,718	8,945	9,686
Employee	3,535	3,883	4,665	5,028
Others	3,308	3,836	4,280	4,657
Core Income (Rs m)	19,001	27,262	30,663	34,538
PAT (Rs mn)	19,459	24,611	27,519	30,824
Core PAT (Rs m)	14,920	20,415	23,304	26,249
Core EPS (Rs.)	69.9	95.5	109.0	122.8
Gr. (%)	26.0	36.6	14.2	12.6
AAuM (Rs bn)	5,437	7,480	8,769	10,157
Gr. (%)	25.1	37.6	17.2	15.8
Core RoAAuM (%)	0.3	0.3	0.3	0.3
Core RoE (%)	29.6	36.3	36.0	34.3
P/Core EPS (x)	24.4	33.2	46.3	40.5

### Key Data

HDFC.BO | HDFCAMC IN

52-W High / Low	Rs.5,548 / Rs.3,525
Sensex / Nifty	82,259 / 25,111
Market Cap	Rs.1,178.7bn/ \$ 13,693.4m
Shares Outstanding	213.9m
3M Avg. Daily Value	Rs.2,644.2m

### Shareholding Pattern (%)

Promoter's	52.44
Foreign	21.97
Domestic Institution	16.66
Public & Others	8.92
Promoter Pledge (Rs bn)	-

### Stock Performance (%)

	1M	6M	12M
Absolute	8.3	33.0	28.8
Relative	6.7	24.4	27.1

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## Net equity flow market share remains strong

### Quick Pointers:

- Strong quarter led by higher blended yields and other income.
- Net flows remain positive for HDFCAMC led by higher flow market share.

**HDFCAMC saw a strong quarter as core income was 1.8% more than PLe due to revenue being 2.7% higher. Revenue yields were better at 46.7bps (PLe 45.5bps) as (1) equity mix improved QoQ to 60.3% from 59.9% due to equity market bounce back in Q1FY26 (2) commission rationalization and (3) likely more flows in higher yielding older AuM. Strong equity performance in the 3-yr bucket is driving net flows' market share of 15.0% in Q1FY26. Due to new ESOP scheme of 2.5mn shares, we raise staff cost for FY26/27E by 2%/4%. Although a bit volatile initially, equity markets have delivered strong returns in Q1FY26 while industry equity flows have improved to Rs314bn in Jun'25 from Rs272bn in Mar'25. Owing to strong MTM impact of 10.1% in Q1FY26 CLAuM and uptick in flows, we raise core EPS for FY26/27E by avg. 4.2%, increase multiple to 42x from 35x and raise TP to Rs5,700 from Rs4,600. Retain 'BUY'.**

- Strong quarter led by beat on core income due to better revenue yields:** QAAuM was in-line at Rs8285bn (+7% QoQ and 23.4% YoY); while equity (incl. bal) at Rs4997bn grew by 7.7% QoQ/21.8% YoY. Revenue was a beat at Rs9.68bn (PLe Rs 9.43bn) led by higher revenue yields at 46.7bps (PLe 45.5bps). Opex grew by 13.0% QoQ and 9.5% YoY to Rs2.1bn (PLe Rs2bn) due to more other opex. Staff cost was in-line at Rs1.1bn; ESOP cost was Rs57mn. Other opex soared QoQ to Rs839mn (PLe Rs748mn). Thus, core income was tad higher at Rs7.5bn (PLe Rs7.4bn) resulting in higher operating yields at 36.4bps (PLe 35.7bps). Other income was ahead at Rs2.3bn (PLe Rs1.6bn) owing to strong MTM gains in equity investments. Tax rate was in-line at 24.1%. Hence, core PAT yields came in higher at 27.6bps (PLe 27.1bps). PAT was 9.5% ahead of PLe at Rs7.5bn.
- Impact of rationalization and equity mix supporting yields:** Equity share (incl. bal) increased to 60.3% (vs 59.9% in Q4FY25); debt share was flat sequentially at 19.6% while liquid saw a fall of ~81bps to 10.2%. Impact of telescopic pricing on equity AuM would have been offset by commission rationalization. While equity performance is mean reverting (reducing) in the 1-yr bucket; it remains superior in the 3-yr bucket. This is driving market share in net flows to be higher than equity AuM. Hence, market share in equity+bal QAAuM improved by 5bps QoQ to 12.8%. Blended yields were stable QoQ: overall at 46bps, equity at 58bps, debt at 28bps, liquid at 12bps. In Jun'25, company launched its "HDFC innovation fund" which gained good traction whilst completing the product bouquet for equity and debt segment. Unique investor penetration for HDFCAMC stood at 25%.
- Impact of new ESOP scheme announced:** NRC had approved a new ESOP scheme to the tune of 2.5mn shares in Q4FY25. ESOP and PSU cost will be allocated as Rs560mn in FY26E, Rs630mn in FY27E, Rs510mn in FY28E, Rs320mn in FY29E and Rs60mn in FY30E. New ESOP plan will be applicable to ~50% of workforce. Further, residual cost on old ESOP plan stood at Rs110mn for FY26E and Rs30mn for FY27E. Hence we increase staff cost in FY26/27E by 2%/4%. Sharp increase in other opex QoQ was largely attributable to CSR expenses. Over FY25-27E, we are factoring opex CAGR of 9.5% while other opex could grow at a 9.0% CAGR.

**Exhibit 1: Strong quarter due to better revenue yields; higher other income improves profit**

Financials (Rs mn)	Q1FY26	Q1FY25	YoY gr. (%)	Q4FY25	QoQ gr. (%)	Q1FY26E	Est. beat/miss
<b>Revenue</b>	<b>9,678</b>	<b>7,752</b>	<b>24.8</b>	<b>9,012</b>	<b>7.4</b>	<b>9,425</b>	<b>2.7</b>
<b>Total Expenses</b>	<b>2,144</b>	<b>1,959</b>	<b>9.5</b>	<b>1,897</b>	<b>13.0</b>	<b>2,039</b>	<b>5.1</b>
Employees	1,089	1,008	8.1	968	12.5	1,089	0.0
Other expenses	1,055	951	10.9	928	13.6	950	11.0
<b>Operating Income</b>	<b>7,534</b>	<b>5,794</b>	<b>30.0</b>	<b>7,116</b>	<b>5.9</b>	<b>7,386</b>	<b>2.0</b>
Other Income	2,327	1,731	34.4	1,238	88.0	1,600	45.4
<b>Profit before tax</b>	<b>9,861</b>	<b>7,525</b>	<b>31.0</b>	<b>8,353</b>	<b>18.0</b>	<b>8,986</b>	<b>9.7</b>
Tax	2,381	1,485	60.4	1,966	21.1	2,157	10.4
<b>Profit after tax</b>	<b>7,479</b>	<b>6,040</b>	<b>23.8</b>	<b>6,387</b>	<b>17.1</b>	<b>6,829</b>	<b>9.5</b>
<b>Core PAT</b>	<b>5,714</b>	<b>4,650</b>	<b>22.9</b>	<b>5,441</b>	<b>5.0</b>	<b>5,613</b>	<b>1.8</b>
<b>Profitability ratios (bps)</b>							
Revenue yield	46.7	46.2	0.6	46.6	0.2	45.5	122
Employee to AuM	5.0	5.6	(0.6)	4.7	0.3	4.7	30
Opex to AuM	5.1	5.7	(0.6)	4.8	0.3	4.6	50
<b>Core income/AuM</b>	<b>36.4</b>	<b>34.5</b>	<b>1.9</b>	<b>36.8</b>	<b>(0.4)</b>	<b>35.7</b>	<b>72</b>
PAT/AuM	36.1	36.0	0.1	33.0	3.1	33.0	314
Core PAT/AuM	27.6	27.7	(0.1)	28.1	(0.5)	27.1	49
<b>QAAuM (Rs mn)</b>							
Equity	3,460,541	2,765,098	25.2	3,181,083	8.8	3,460,699	(0)
Balanced	1,535,980	1,338,775	14.7	1,459,240	5.3	1,536,050	(0)
Debt	1,621,372	1,352,430	19.9	1,509,053	7.4	1,619,440	0
Liquid	846,942	714,908	18.5	854,348	(0.9)	847,523	(0)
ETF	201,320	122,684	64.1	172,589	16.6	201,309	0
Index	405,590	289,907	39.9	373,921	8.5	407,611	(0)
Arbitrage	200,904	120,179	67.2	178,137	12.8	200,925	(0)
FoF overseas	12,449	12,273	1.4	12,952	(3.9)	12,450	(0)

Source: Company, PL.

## Q1FY26 Conference Call Highlights

### Industry

- Actively managed equity inflows for industry witnessed 52<sup>nd</sup> consecutive month of positive net flows. Debt, liquid and arbitrage funds witnessed a positive momentum due to improved liquidity in the system

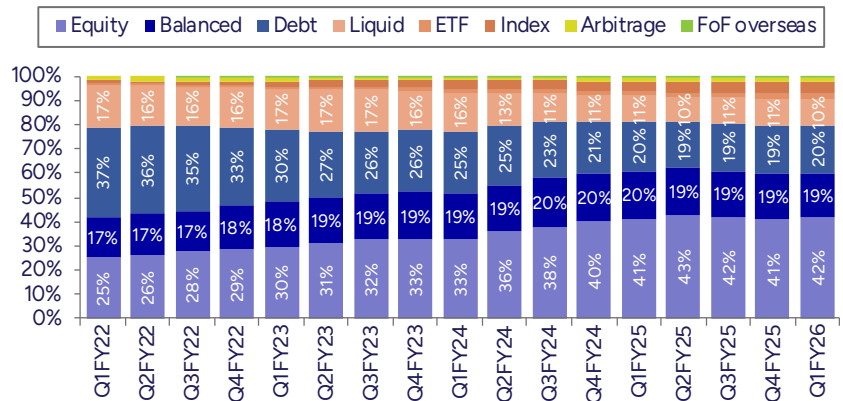
### Company Performance

- Revenue yields** were flattish mainly due to impact of rationalization.
- Blended yields were stable:** overall at ~46bps, equity at 58-59bps, debt at 28-29bps and liquid at 12-13bps. Yield for alternative fund is equivalent to overall business yield.
- Other income** was higher due to MTM gains.
- Old ESOP plan** – NRC had allocated 3.2mn shares in 2020 for employees basis remuneration and performance. Till 2025, ~2.3mn shares were granted while balance shares (0.87mn shares) are cancelled. Vesting period was spread equally over 3 years. Over past 5 years, HDFCAMC has recognized Rs1.8bn through P/L account. Residual cost for these shares stood at Rs110mn for FY26E and Rs30mn for FY27E.
- New ESOP plan** – In Q4FY25, NRC had approved a new ESOP scheme (incl. performance) to the tune of 2.5mn vesting over 4 years. On 20<sup>th</sup> June 2025, NRC issued 1mn ESOPs and 0.23mn performance stock units (PSUs). These shares will not be granted to heads of departments.
- As per Black-Scholes estimates, non-cash ESOPs and PSU related expenses may be Rs2.0-2.1bn over the vesting period. This cost will be allocated as Rs560mn in FY26E, Rs630mn in FY27E, Rs510mn in FY28E, Rs320mn in FY29E and Rs60mn in FY30E.
- New ESOP plan will be applicable to ~50% of workforce and impact for FY26 may be ~0.8bps assuming an average AuM of Rs8.5trn.
- Surge in other opex was mainly due to CSR expense incurred in Q1FY26.

### Others

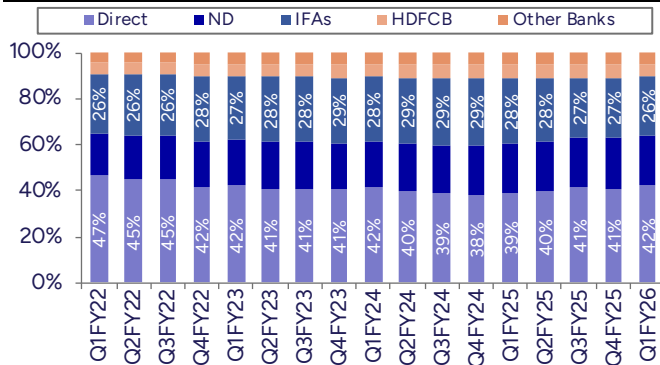
- Unique investor penetration for HDFCAMC stood at 25%.
- Share from HDFC bank is falling due to other segments growing at a higher pace, mainly led by direct channels fueled by Fintech platforms
- Company launched “HDFC Innovation Fund” in Jun’25. Product bouquet is largely completed for both equity and debt segments.
- Market share across asset classes has remained robust. Flow market share is higher than book market share.
- Company closed its venture capital private equity fund of fund in FY25 with Rs12bn. New inflows came under non-discretionary PMS account.

**Exhibit 2: Equity + Bal share improved to ~61%, debt share stable at ~20%**



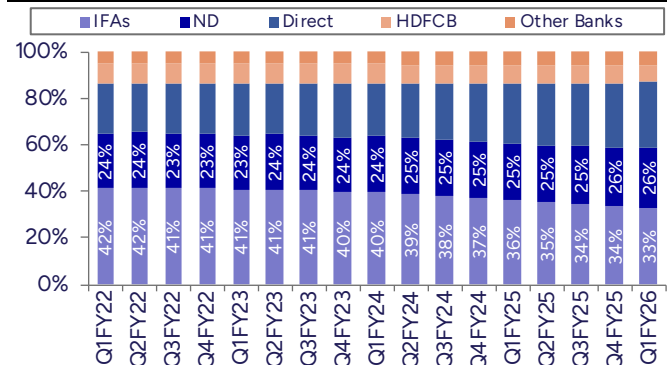
Source: Company, PL

**Exhibit 3: Total distribution – Direct dominates at 42%**



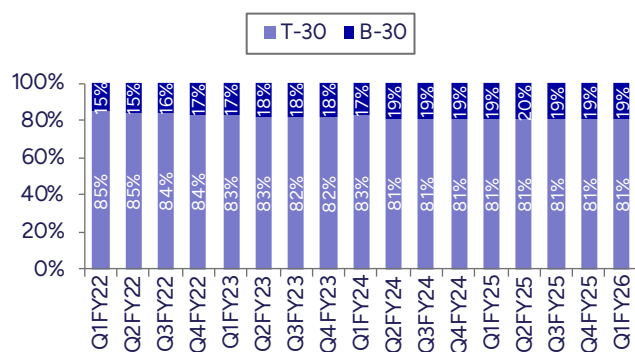
Source: Company, PL

**Exhibit 4: Equity distribution – IFAs dominates at 33%**



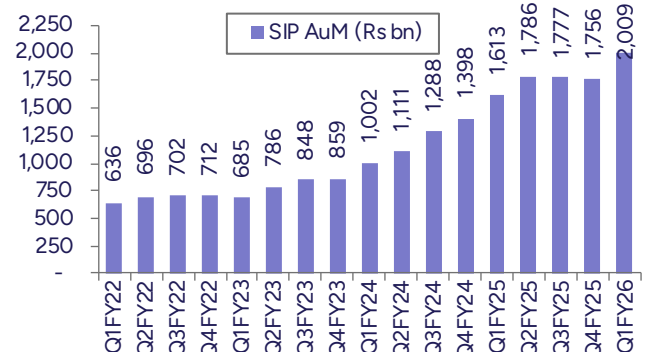
Source: Company, PL

**Exhibit 5: T-30:B-30 mix stable at 81:19**



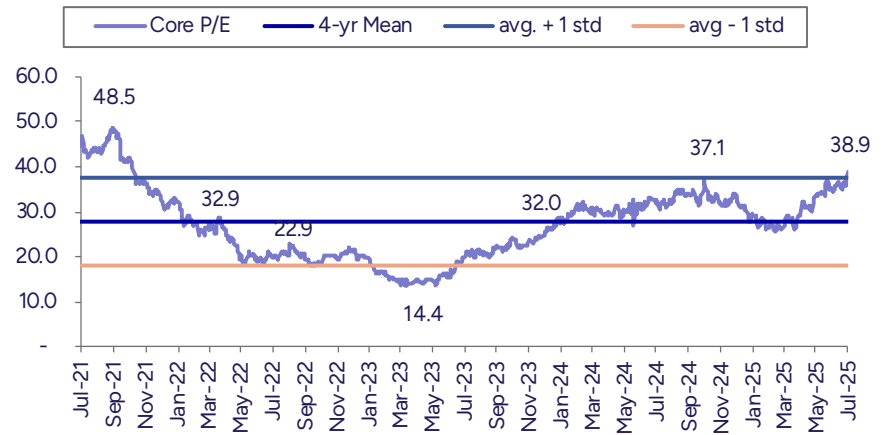
Source: Company, PL

**Exhibit 6: SIP AuM increased by 25% YoY**



Source: Company, PL

**Exhibit 7: HDFCAMC 2-yr fwd. P/Core EPS trades at 39.0x**



Source: Company, PL

## Financials

### Exhibit 8: Quarterly Financials

Particulars (Rs mn)	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25	Q4FY25	Q1FY26
<b>Revenue</b>	<b>5,745</b>	<b>6,431</b>	<b>6,713</b>	<b>6,954</b>	<b>7,752</b>	<b>8,872</b>	<b>9,344</b>	<b>9,012</b>	<b>9,678</b>
<b>Expenses</b>	<b>1,612</b>	<b>1,761</b>	<b>1,751</b>	<b>1,718</b>	<b>1,959</b>	<b>1,991</b>	<b>1,872</b>	<b>1,897</b>	<b>2,144</b>
Employee	838	929	903	864	1,008	957	949	968	1,089
Others	645	702	718	721	818	898	774	762	882
Depreciation	129	130	131	133	133	137	149	166	172
<b>Core Income</b>	<b>4,133</b>	<b>4,670</b>	<b>4,962</b>	<b>5,236</b>	<b>5,794</b>	<b>6,881</b>	<b>7,472</b>	<b>7,116</b>	<b>7,534</b>
Other Income	1,580	1,221	1,424	1,555	1,731	1,706	927	1,238	2,327
<b>PBT</b>	<b>5,714</b>	<b>5,891</b>	<b>6,386</b>	<b>6,791</b>	<b>7,525</b>	<b>8,587</b>	<b>8,400</b>	<b>8,353</b>	<b>9,861</b>
Tax	939	1,516	1,489	1,380	1,485	2,818	1,985	1,966	2,381
<b>PAT</b>	<b>4,775</b>	<b>4,376</b>	<b>4,897</b>	<b>5,411</b>	<b>6,040</b>	<b>5,769</b>	<b>6,415</b>	<b>6,387</b>	<b>7,479</b>
<b>Core PAT</b>	<b>3,454</b>	<b>3,468</b>	<b>3,805</b>	<b>4,172</b>	<b>4,650</b>	<b>4,623</b>	<b>5,706</b>	<b>5,441</b>	<b>5,714</b>
<b>QAAuM</b>	<b>4,856,309</b>	<b>5,247,903</b>	<b>5,513,799</b>	<b>6,129,639</b>	<b>6,716,253</b>	<b>7,589,755</b>	<b>7,873,645</b>	<b>7,741,324</b>	<b>8,285,098</b>
Equity	32.8%	35.7%	38.0%	39.9%	41.2%	42.6%	42.1%	41.1%	41.8%
Balanced	19.0%	19.4%	19.9%	20.2%	19.9%	19.4%	19.0%	18.9%	18.5%
Debt	25.3%	24.8%	23.3%	21.1%	20.1%	19.4%	19.2%	19.5%	19.6%
Liquid	15.9%	13.1%	11.3%	11.0%	10.6%	9.9%	10.7%	11.0%	10.2%
ETF	1.9%	1.8%	1.9%	1.8%	1.8%	1.8%	2.0%	2.2%	2.4%
Index	3.7%	3.8%	4.0%	4.1%	4.3%	4.7%	4.7%	4.8%	4.9%
Arbitrage	1.1%	1.2%	1.4%	1.7%	1.8%	2.0%	2.1%	2.3%	2.4%
FoF overseas	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%
<b>Market share (%)</b>	<b>11.3</b>	<b>11.2</b>	<b>11.2</b>	<b>11.3</b>	<b>11.4</b>	<b>11.5</b>	<b>11.5</b>	<b>11.5</b>	<b>11.5</b>
Equity	9.8	10.2	10.5	10.7	10.9	11.0	10.9	10.9	11.1
Balanced	19.9	20.3	20.4	20.7	20.5	20.5	20.2	19.9	19.8
Eq+Bal	12.0	12.3	12.6	12.8	12.9	12.8	12.7	12.7	12.8
Debt	14.7	14.7	14.5	14.7	14.5	14.6	14.2	14.1	14.1
Liquid	13.7	11.9	11.5	11.6	12.0	12.1	12.9	12.6	12.3
ETF	1.7	1.7	1.7	1.7	1.7	1.7	1.9	2.1	2.3
Index	10.5	11.2	11.5	12.2	12.7	13.7	13.8	13.6	13.7
<b>QAAuM Growth (%)</b>	<b>8.0</b>	<b>8.1</b>	<b>5.1</b>	<b>11.2</b>	<b>9.6</b>	<b>13.0</b>	<b>3.7</b>	<b>-1.7</b>	<b>7.0</b>
Equity	8.1	17.6	12.0	16.6	13.2	17.1	2.5	-4.1	8.8
Balanced	6.0	10.1	7.9	12.7	8.1	10.1	1.6	-2.5	5.3
Eq+Bal	7.3	14.9	10.5	15.2	11.5	14.8	2.2	-3.6	7.7
Debt	6.5	5.8	-1.3	0.9	4.4	8.8	2.6	-0.1	7.4
Liquid	8.5	-11.4	-8.9	7.9	6.1	5.5	11.8	1.4	-0.9
ETF	20.3	6.3	5.6	7.8	11.2	11.8	12.1	12.3	16.6
Index	28.3	10.5	8.5	15.4	15.1	22.1	5.6	0.0	8.5
Arbitrage	-6.8	16.0	25.3	32.8	14.5	25.2	10.4	7.2	12.8
FoF overseas	0.8	0.0	8.0	6.9	4.7	1.3	2.6	1.5	-3.9
<b>Dupont (bps)</b>									
Revenue yield	47.3	49.0	48.7	45.4	46.2	46.8	47.5	46.6	46.7
Opex to AuM	13.3	13.4	12.7	11.2	11.7	10.5	9.5	9.8	10.4
Staff cost	6.9	7.1	6.6	5.6	6.0	5.0	4.8	5.0	5.3
Other opex	5.3	5.3	5.2	4.7	4.9	4.7	3.9	3.9	4.3
Depreciation	1.1	1.0	0.9	0.9	0.8	0.7	0.8	0.9	0.8
Core income/AuM	34.0	35.6	36.0	34.2	34.5	36.3	38.0	36.8	36.4
PAT/AuM	39.3	33.4	35.5	35.3	36.0	30.4	32.6	33.0	36.1
Core PAT/AuM	28.5	26.4	27.6	27.2	27.7	24.4	29.0	28.1	27.6
<b>Profitability (%)</b>									
Staff cost/revenue	14.6	14.5	13.5	12.4	13.0	10.8	10.2	10.7	11.3
Other opex/revenue	11.2	10.9	10.7	10.4	10.6	10.1	8.3	8.5	9.1
Core income/revenue	71.9	72.6	73.9	75.3	74.7	77.6	80.0	79.0	77.8
Tax rate	16.4	25.7	23.3	20.3	19.7	32.8	23.6	23.5	24.1
PAT margin	83.1	68.0	72.9	77.8	77.9	65.0	68.7	70.9	77.3
Core PAT margin	60.1	53.9	56.7	60.0	60.0	52.1	61.1	60.4	59.0

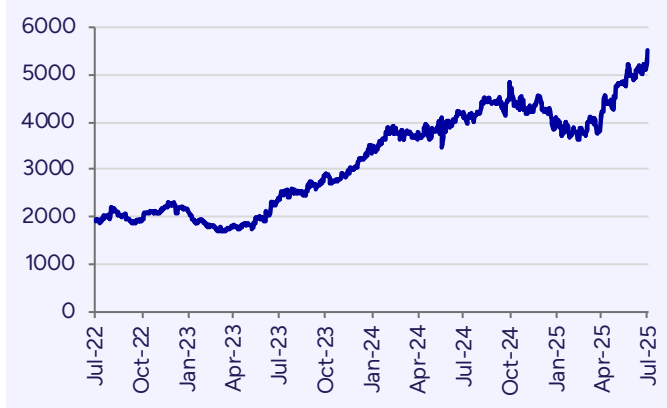
Source: Company, PL

**Exhibit 9: Summary Financials (Rs mn)**

Particulars	FY24	FY25	FY26E	FY27E	Particulars	FY24	FY25	FY26E	FY27E
<b>Profit &amp; Loss</b>					<b>Balance Sheet</b>				
<b>Revenue</b>	<b>25,844</b>	<b>34,980</b>	<b>39,609</b>	<b>44,223</b>	<b>Net Worth</b>	<b>70,791</b>	<b>81,341</b>	<b>96,281</b>	<b>1,13,597</b>
Investment mgmt.	25806	34819	39550	44157	Capital (FV Rs5)	1,067	1,069	1,069	1,069
PMS / Advisory	38	162	59	66	Reserves	69,723	80,272	95,212	1,12,528
<b>Expenses</b>	<b>6,842</b>	<b>7,718</b>	<b>8,945</b>	<b>9,686</b>	Employee benefit	827	1,005	1,206	1,448
Employee	3,535	3,883	4,665	5,028	Others	3,958	5,190	5,698	6,257
Others	2,785	3,252	3,573	3,916	<b>Total Liabilities</b>	<b>75,576</b>	<b>87,536</b>	<b>1,03,185</b>	<b>1,21,302</b>
Depreciation	523	584	707	742	Cash and Bank	112	128	128	128
<b>Core Income</b>	<b>19,001</b>	<b>27,262</b>	<b>30,663</b>	<b>34,538</b>	Investment	71,900	82,889	98,185	1,15,917
Other Income	5,781	5,602	5,546	6,020	Fixed assets	1,522	1,974	2,072	2,176
PBT	<b>24,782</b>	<b>32,864</b>	<b>36,210</b>	<b>40,557</b>	Others	2,042	2,546	2,801	3,081
Tax	5,323	8,254	8,690	9,734	<b>Total Assets</b>	<b>75,576</b>	<b>87,536</b>	<b>1,03,185</b>	<b>1,21,302</b>
PAT	<b>19,459</b>	<b>24,611</b>	<b>27,519</b>	<b>30,824</b>					
<b>Core PAT</b>	<b>14,920</b>	<b>20,415</b>	<b>23,304</b>	<b>26,249</b>	<b>AAuM</b>	<b>54,36,912</b>	<b>74,80,244</b>	<b>87,68,991</b>	<b>1,01,57,142</b>
Dividend	<b>14,944</b>	<b>19,242</b>	<b>22,016</b>	<b>24,660</b>	Equity	20,00,796	31,25,153	37,36,820	43,47,461
<b>Growth ratios (%)</b>					Balanced	10,70,055	14,42,109	16,59,332	19,08,884
<b>Revenue</b>	<b>19.3</b>	<b>35.4</b>	<b>13.2</b>	<b>11.6</b>	Debt	12,77,231	14,60,714	16,45,883	18,64,406
<b>Opex</b>	<b>11.8</b>	<b>12.8</b>	<b>15.9</b>	<b>8.3</b>	Liquid	6,89,164	7,91,516	8,41,141	9,11,488
Employee	13.0	9.8	20.2	7.8	ETF	1,00,170	1,46,534	1,93,584	2,48,493
Others	13.2	16.7	9.9	9.6	Index	2,13,393	3,47,899	5,00,763	6,56,120
<b>Core income</b>	<b>22.2</b>	<b>43.5</b>	<b>12.5</b>	<b>12.6</b>	Arb & FoF	86,102	1,66,319	1,91,468	2,20,291
PAT	36.7	26.5	11.8	12.0	<b>Mix</b>				
<b>Core PAT</b>	<b>26.1</b>	<b>36.8</b>	<b>14.2</b>	<b>12.6</b>	Equity	36.8	41.8	42.6	42.8
<b>DuPont analysis (%)</b>					Balanced	19.7	19.3	18.9	18.8
<b>Revenue</b>	<b>0.48</b>	<b>0.47</b>	<b>0.45</b>	<b>0.44</b>	Debt	23.5	19.5	18.8	18.4
<b>Expenses</b>	<b>0.13</b>	<b>0.10</b>	<b>0.10</b>	<b>0.10</b>	Liquid	12.7	10.6	9.6	9.0
Employee	0.07	0.05	0.05	0.05	ETF	1.8	2.0	2.2	2.4
Others	0.05	0.04	0.04	0.04	Index	3.9	4.7	5.7	6.5
Depreciation	0.01	0.01	0.01	0.01	Arb & FoF	1.6	2.2	2.2	2.2
<b>Core Income</b>	<b>0.349</b>	<b>0.364</b>	<b>0.350</b>	<b>0.340</b>	<b>Growth</b>				
Other Income	0.11	0.07	0.06	0.06	<b>Overall</b>	<b>25.1</b>	<b>37.6</b>	<b>17.2</b>	<b>15.8</b>
PBT	<b>0.46</b>	<b>0.44</b>	<b>0.41</b>	<b>0.40</b>	Equity	46.1	56.2	19.6	16.3
Tax	0.10	0.11	0.10	0.10	Balanced	29.8	34.8	15.1	15.0
<b>PAT (RoAAuM)</b>	<b>0.36</b>	<b>0.33</b>	<b>0.31</b>	<b>0.30</b>	Debt	8.6	14.4	12.7	13.3
<b>Core RoAAuM</b>	<b>0.27</b>	<b>0.27</b>	<b>0.27</b>	<b>0.26</b>	Liquid	-5.0	14.9	6.3	8.4
ROE	29.5	32.4	31.0	29.4	ETF	71.1	46.3	32.1	28.4
<b>Core RoE</b>	<b>29.6</b>	<b>36.3</b>	<b>36.0</b>	<b>34.3</b>	Index	76.0	63.0	43.9	31.0
<b>Other Ratios (%)</b>					<b>Valuations</b>				
Staff cost/revenue	13.7	11.1	11.8	11.4	<b>EPS</b>	<b>91.2</b>	<b>115.1</b>	<b>128.7</b>	<b>144.2</b>
Other opex/revenue	10.8	9.3	9.0	8.9	<b>Core EPS</b>	<b>69.9</b>	<b>95.5</b>	<b>109.0</b>	<b>122.8</b>
<b>Core Income/revenue</b>	<b>73.5</b>	<b>77.9</b>	<b>77.4</b>	<b>78.1</b>	CPS	337.3	388.3	459.8	542.8
Other Income/revenue	22.4	16.0	14.0	13.6	DPS	70.0	90.0	103.0	115.3
Yield on Investments	8.6	7.2	6.0	5.5	Dividend yield	2.6	2.2	1.9	2.1
Effective tax rate	21.5	25.1	24.0	24.0	BVPS	332	380	450	531
PAT margin	75.3	70.4	69.5	69.7	P/B	7.1	9.1	12.2	10.4
<b>Core PAT margin</b>	<b>57.8</b>	<b>58.6</b>	<b>58.9</b>	<b>59.4</b>	P/E	23.6	31.7	42.8	38.2
<b>Dividend payout (%)</b>	<b>76.8</b>	<b>78.2</b>	<b>80.0</b>	<b>80.0</b>	<b>P/core EPS</b>	<b>24.4</b>	<b>33.2</b>	<b>46.3</b>	<b>40.5</b>

Source: Company, PL

**Price Chart**



**Recommendation History**

No.	Date	Rating	TP (Rs.)	Share Price (Rs.)
1	09-Jul-24	BUY	4,100	4,159
2	16-Jul-24	BUY	4,700	4,196
3	08-Oct-24	BUY	4,700	4,133
4	16-Oct-24	BUY	5,360	4,555
5	08-Jan-25	BUY	5,360	4,071
6	15-Jan-25	BUY	4,700	3,865
7	27-Feb-25	BUY	4,450	3,763
8	08-Apr-25	BUY	4,450	3,831
9	21-Apr-25	BUY	4,600	4,218
10	08-Jul-25	BUY	4,600	5,102

**Analyst Coverage Universe**

Sr. No.	Company Name	Rating	TP (Rs)	Share Price (Rs)
1	AAVAS Financiers	Accumulate	2,072	1,974
2	Axis Bank	BUY	1,375	1,161
3	Bank of Baroda	BUY	275	241
4	Can Fin Homes	BUY	860	816
5	City Union Bank	BUY	210	219
6	DCB Bank	BUY	155	142
7	Federal Bank	BUY	220	215
8	HDFC Asset Management Company	BUY	4,600	5,102
9	HDFC Bank	BUY	2,125	1,987
10	ICICI Bank	BUY	1,700	1,436
11	IndusInd Bank	Hold	780	854
12	Kotak Mahindra Bank	BUY	2,400	2,150
13	LIC Housing Finance	BUY	725	605
14	Nippon Life India Asset Management	BUY	700	775
15	State Bank of India	BUY	960	807
16	Union Bank of India	BUY	160	152
17	UTI Asset Management Company	BUY	1,300	1,329

**PL's Recommendation Nomenclature (Absolute Performance)**

<b>Buy</b>	: > 15%
<b>Accumulate</b>	: 5% to 15%
<b>Hold</b>	: +5% to -5%
<b>Reduce</b>	: -5% to -15%
<b>Sell</b>	: < -15%
<b>Not Rated (NR)</b>	: No specific call on the stock
<b>Under Review (UR)</b>	: Rating likely to change shortly



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