

**CMP: 1,666.05**

INDEX DETAILS	
SENSEX	76,404.99
NIFTY (S&P CNX)	23155.35

(Source: Capitaline, [Investing.com](https://www.investing.com))

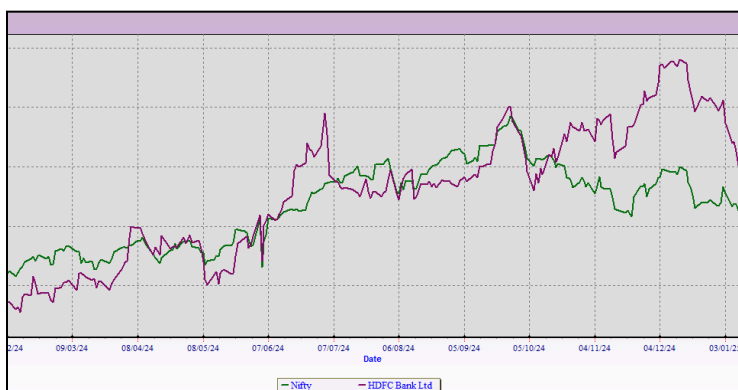
SCRIP DETAILS	
Industry	Private Sector Bank
Mkt Cap (Rs in Crore)	1273291.63
Book Value (Rs)	652.16
Free Float (%)	100.00
Avg Vol Weekly (NSE)	13735630
52 Week H/L (NSE)	1880 / 1363
Dividend Yield (%)	1.16
BSE Code	500180
NSE Code	HDFCBANK

(Source: [Investing.com](https://www.investing.com))

SHAREHOLDING PATTERN (%)		
PARTICULARS	LATEST QUARTER	PREVIOUS QUARTER
Promoters	0.00	0.00
FIIs	42.59	41.54
DIIIs	27.63	28.38
Others	29.78	30.08
Totals	100	100

(Source: Capitaline)

## Price Comparison with Nifty



## Maintains stable margins, asset quality and costs

HDFC Bank has reported 2% growth in net profit at Rs 16735.50 crore for the quarter ended December 2024 (Q3FY2025). The net profit adjusted for trading & mark to market gains, prior year one-off provisions and prior year tax credits, grew by 13.6% over Q3FY2024. The bank has posted 8% growth in net interest income (NII), while the core fee income of the bank improved 18% in Q3FY2025. The Net Interest Margin (NIM) of the bank improved to 3.43% in Q3FY2025 compared to 3.40% in the corresponding quarter of previous year.

On business front, the bank as has posted 9% growth in business with 3% rise in loan book. The asset quality of the bank has witnessed marginal pressure on account of higher agriculture related slippages. Bank has substantially reduced the credit to deposit ratio to 99.2% at end December 2024 from 111.5% at end December 2023. However, the CASA ratio of the bank has declined to 34.0% at end December 2024 from 37.7% at end December 2023.

**Asset quality pressured by high agriculture slippages:** The bank has witnessed rise in fresh slippages of loan in the agriculture segment in Q3FY2025.

The fresh slippages of loans stood at Rs 8800 crore in Q3FY2025 compared with 7800 crore in previous quarter and Rs 7000 crore in the corresponding quarter last year.

The recoveries and upgradations of NPAs stood at Rs 4000 crore, while the write-off of loans was at Rs 3100 crore in Q3FY2025.

Provision coverage ratio declined to 68.00% at end December 2024 compared to 70.00% a quarter ago and 75.00% a year ago.

The capital adequacy ratio of the bank stood at 20.0% with Tier I ratio at 18.0% at end December 2024.

The risk weighted assets of the bank has increased 6% YoY to Rs 2530500 crore end December 2024.

Asset Quality Indicators: HDFC Bank								
Particulars	Dec-24	Sep-24	Jun-24	Mar-24	Dec-23	Variation		
						QoQ	YTD	YoY
Gross NPA (Rs Crore)	36018.58	34250.62	33025.69	31173.32	31011.67	5	16	16
Net NPA (Rs Crore)	11587.54	10308.54	9508.44	8091.74	7664.1	12	43	51
% Gross NPA	1.42	1.36	1.33	1.24	1.26	6	18	16
% Net NPA	0.46	0.41	0.39	0.33	0.31	5	13	15
% PCR	68	70	71	74	75	-200	-600	-700
% CRAR - Basel III	19.97	19.77	19.33	18.8	18.39	20	117	158
% CRAR - Tier I - Basel III	18	17.8	17.3	16.8	16.8	20	120	120

(Source: [NSE](#))

## Business Highlights:

**Strong deposit growth driving business growth:** The business of the bank has increased 9% YoY to Rs 5106395 crore end December 2024, driven by Deposits rising 16% to Rs 2563795 crore. The advances of the bank rose at slow pace of 3% to Rs 2542600 crore at end December 2024.

**CASA deposits ratio declines on strong term deposit growth:** The CASA deposits of the bank increased 4% YoY to Rs 872700 crore at end December 2024. The current account deposits increased 4% to Rs 267100 crore, while saving account deposits also moved up 4% to Rs 605600 crore end December 2024. The CASA ratio declined to 34.0% at end December 2024 compared to 37.7% at end December 2023, while declined from 35.3% a quarter ago. The term deposits have increased 23% to Rs 1691095 crore end December 2024.

**Retail loans driving loan growth:** Advances growth was driven by retail loans rising 10% YoY to Rs 1342500 crore at end December 2024, while credit to agriculture increased 16% to Rs 107600 crore and MSME 11% to Rs 753200 crore at end December 2024. The corporate credit has declined -10% to Rs 480600 crore end December 2024. The overseas credit increased 9% to Rs 45767 crore end December 2024.

**Investment book** of the bank increased 20% YoY to Rs 811853 crore at end December 2024.

**Margins steady:** The bank has maintained steady cost of funds at 4.9%, while yield on asset rose 10 bps YoY to 8.3% in Q3FY2025. Thus, the NIM has improved 3 bps YoY to 3.43%., while eased 3 bps qoq to 3.43%

**Branch expansion:** The bank has added 51 branches and 56 ATMs in Q3FY2025. End December 2024, the Bank's distribution network was at 9143 branches and 21049 ATMs across 4101 cities / towns as against 8091 branches and 20688 ATMs across

3872 cities / towns end December 2023. About 51% of branches are in semi-urban and rural areas. In addition, the bank has 15196 business correspondents, which are primarily manned by Common Service Centres (CSC). The number of employees were at 210219 end December 2024 (as against 208066 end December 2023).

**Book value** of the bank stood at Rs 631.5 per share at end December 2024, while the adjusted book value (net of NNPA and 10% of restructured advances) was Rs 616.0 per share at end December 2024.

## Quarterly Performance

**NII rises as NIM improves:** Bank has recorded 8% increase in the interest earned at Rs 76006.88 crore, while interest expenses increased 8% to Rs 45353.63 crore in Q3FY2025. NII improved 8% to Rs 30653.25 crore in the quarter ended December 2024.

**Healthy growth in the core fee income:** Bank has posted strong 18% growth in core fee income to Rs 8180 crore, while the recoveries and other income jumped 18% to Rs 1790 crore and forex income moved up 16% to Rs 1400 crore. However, the treasury income declined -95% to Rs 70 crore, allowing only moderate 3% rise in the overall non-interest income to Rs 11453.56 crore in the quarter ended December 2024.

**Stable expenses ratio:** The operating expenses of the bank increased 7% to Rs 17106.41 crore, as other expenses moved up 5% to Rs 11156 crore, while employee expenses increased 11% to Rs 5950.41 crore in Q3FY2025. Cost to income ratio was nearly stable at 40.6% in Q3FY2025 compared with 40.3% in Q3FY2024, helping the Operating Profit to increase 6% to Rs 25000.40 crore.

**Provisions and contingencies decline:** The bank has showed -25% decline in provisions to Rs 3153.85 crore. PBT increased 12% to Rs 21846.55 crore in Q3FY2025.

**Effective tax rate** increased to 23.4% in Q3FY2025 from 15.7% in Q3FY2024. Net Profit rose by 2% YoY to Rs 16735.50 crore during quarter ended December 2024.

## Consolidated Financial Results

The Bank's consolidated net revenue was Rs 65280 crore for Q3FY2025. The consolidated profit after tax was Rs 17660 crore in Q3FY2025. The consolidated PAT adjusted for trading & mark to market gains, prior year one-off provisions and prior year tax credits, grew by 13.1%. The consolidated PAT for 9MFY2025 was Rs 51960 crore. The book value was Rs 656.6 end December 2024.

## Subsidiaries

**HDB Financial Services** (HDBFSL), is a non-deposit taking NBFC in which the Bank holds a 94.5% stake. For Q3FY2025, HDBFSL's net revenue was at Rs 2500 crore. Profit after tax for Q3FY2025 was Rs 470 crore compared to Rs 640 crore for Q3FY2024. Profit after tax for 9MFY2025 was Rs 1650 crore. The total loan book was Rs 102100 crore end December 2024. Stage 3 loans were at 2.25% of gross loans. Total CAR was at 19.2% with Tier-I CAR at 14.4%.

**HDFC Life Insurance Company Ltd** (HDFC Life), in which the Bank holds a 50.3% stake, is a leading life insurance solutions provider. Profit after tax for Q3FY2025 was Rs 410 crore compared to Rs 370 crore for Q3FY2024, a growth of 13.7%. Profit after tax for 9MFY2025 was Rs 1330 crore.

**HDFC ERGO General Insurance Company Ltd** (HDFC ERGO), in which the Bank holds a 50.5% stake, offers a range of general insurance products. Profit after tax for Q3FY2025 was Rs 100 crore, as against profit after tax of Rs 130 crore for Q3FY2024. Profit after tax for 9MFY2025 was Rs 430 crore.

**HDFC Asset Management Company Ltd** (HDFC AMC), in which the Bank holds a 52.5% stake, is the Investment Manager to HDFC Mutual Fund, and offers a comprehensive suite of savings and investment products. For Q3FY2025, HDFC AMC's Quarterly Average Assets Under Management were approximately Rs 787400 crore. Profit after tax for Q3FY2025 was Rs 640 crore compared to Rs 490 crore for Q3FY2024, a growth of 31.0%. Profit after tax for 9MFY2025 was Rs 1820 crore.

**HDFC Securities Ltd** (HSL), in which the Bank holds a 94.6% stake, is amongst the leading broking firms. For Q3FY2025, HSL's total revenue was Rs 790 crore. Profit after tax for Q3FY2025 was Rs 270 crore, as against Rs 230 crore for Q3FY2024, a growth of 16.0%. Profit after tax for 9MFY2025 was Rs 870 crore.

## Financial Performance 9MFY2025:

Bank has posted 12% increase in net profit to Rs 49731.23 crore in the nine months ended December 2024 (9MFY2025). The net interest income increased 14% to Rs 90604.30 crore, while non-interest income moved up 8% to Rs 33604.40 crore, pushing up net total income by 12% to Rs 124208.70 crore in 9MFY2025. The operating expenses increased 11% to Rs 50617.91 crore, while provision and contingencies declined 15% to Rs 8456.37 crore, allowing profit before tax to increase 18% to Rs 65134.42 crore in 9MFY2025. The cost-to-income ratio improved to 40.8% in 9MFY2025 compared to 41.1% in 9MFY2024. An effective tax rate rose to 23.6% in 9MFY2025 compared to 19.6% in 9MFY2024. The net profit has increased 12% to Rs 49731.23 crore in 9MFY2025.

HDFC Bank: Results									
Particulars	Q3FY25	Q3FY24	Var %	9MFY25	9MFY24	Var %	FY24	FY23	Var %
<b>Interest Earned</b>	76006.88	70582.61	8	223056.9	186867.81	19	258340.6	161585.6	60
<b>Interest Expended</b>	45353.63	42111.27	8	132452.6	107412.17	23	149808.1	74743.31	100
<b>Net Interest Income</b>	30653.25	28471.34	8	90604.3	79455.64	14	108532.5	86842.24	25
<b>Other Income</b>	11453.56	11137.04	3	33604.4	31074.74	8	49240.99	31214.83	58
<b>Net Total Income</b>	42106.81	39608.38	6	124208.7	110530.38	12	157773.5	118057.1	34
<b>Operating Expenses</b>	17106.41	15961.08	7	50617.91	45417.18	11	63386.01	47652.09	33
<b>Operating Profits</b>	25000.4	23647.3	6	73590.79	65113.2	13	94387.45	70404.98	34
<b>Provisions &amp; Contingencies</b>	3153.85	4216.64	-25	8456.37	9980.5	-15	23492.14	11919.67	97
<b>Profit Before Tax</b>	21846.55	19430.66	12	65134.42	55132.7	18	70895.31	58485.31	21
<b>EO</b>	0	0		0	0		0	0	
<b>PBT after EO</b>	21846.55	19430.66	12	65134.42	55132.7	18	70895.31	58485.31	21
<b>Provision for tax</b>	5111.05	3058.12	67	15403.19	10832.28	42	10083.03	14376.6	-30
<b>PAT</b>	16735.5	16372.54	2	49731.23	44300.42	12	60812.28	44108.71	38
<b>EPS*(Rs)</b>	87.5	85.6		86.7	77.2		79.5	57.7	
<b>Adj BV (Rs)</b>	616	545.5		616	545.5		568.3	491.4	

(Source: [NSE](#))

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