



# HDFC Bank Ltd

**FREE MULTIBAGGER**

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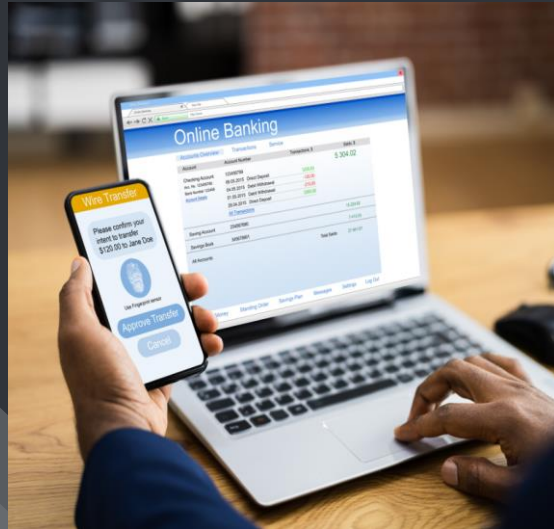
March 2024 NSE: HDFCBANK  
CMP: 1400.00 BUY BELOW: 1600.00



# ABOUT

HDFC Bank is a publicly held banking company. It is engaged in providing a range of banking and financial services including retail banking, wholesale banking, and treasury operations. Mr. Atanu Chakraborty is the current Chairman. Mr. Keki M Mistry is the current non-executive director.

The Bank has offices and branches in India, Bahrain, Hong Kong, UAE, and Kenya where they offer NRI clients Offshore Deposits, Bonds, Equity, Mutual Funds, Treasury, and Structured products offered by third parties from Bahrain Branch. bank headquartered in Mumbai.



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# POSITIVES to become a multibagger



- HDFC Bank **network** includes 21683 Banking outlets comprising Branches 6342 and Business Correspondents 15431, ATMs/ Cash Deposits, and Withdrawal Machines 18130 spread across India. The Bank added 1479 branches in FY23.
- HDFC Bank through various initiatives and partnerships **extends** services to remote areas and economically disadvantaged communities. By providing access to banking facilities, loans, and financial literacy programs.

## Contd..



- Embracing digital innovation, the Bank offers a **smart banking** comprehensive suite of online and mobile banking services, which make banking convenient, secure, and accessible anytime, anywhere including mobile payments & seamless fund transfer facilities.
- HDFC Bank's made remarkable Y-O-Y **70% Growth** in both value and volume for its UPI service.

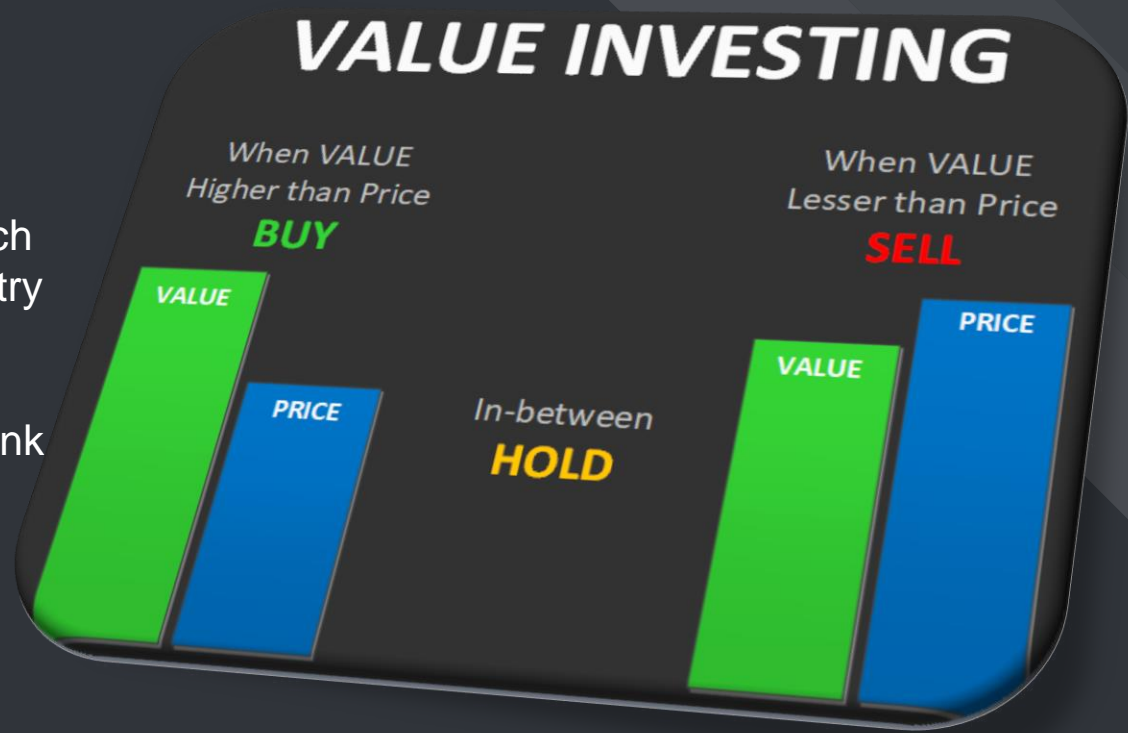
## Contd..



- With a 'service first culture' the bank leverages robust analytics and **AI** to suggest personalized recommendations based on customer transactions and digital behavior for services and products.
- Over the year including differentiated and priority servicing for senior citizens & **HNW** customers, real-time deliverable tracking, and regular customer alerts on processing milestones.
- **Smart Saathi** the Bank's most recent launch digitally enables our network of Business Correspondents and Business Facilitators by providing them an omnichannel experience of our digital products



- PE Ratio 16 shows the stock is **undervalued** compared to peers & growth aspects.
- Book Value Ratio is less than 3X which is **moderate** within the banking industry valuations.
- **ROE > 17%** shows the capacity of bank profitability and efficiency to generate profits.
- **Capacity Expansions** displays 30% progress in current financial year
- Cash Flow is **positive** for Hdfc bank for the past 5 years displays credibility on liquidity
- Steady 20% **increase** in reserves displayed in balance sheet.



## Contd..



- In the rural segment, the Bank is planning to expand its services to **2.5 Lakh villages** in the next two years. It funds not only traditional agriculture but also allied activities.
- HDFC Bank ranked **No.1** for two consecutive years on relationship NPS.
- The second largest disbursing bank for the Public Financial Management System (**PFMS**) processing more than 175,000 Crore under various schemes.



# Contd..



- **No. 1** in Credit cards: **28.6%** Market share
- **No. 1** in Commercial Cards
- **No. 2** in Debit Cards: **17%** Market share



- **No. 1** in Offline Card Acceptance: **46%** Market share
- **No. 1** in Online Card Acceptance: **47%** Market share
- UPI (P2M): **12%** Market Share
- EPI: **25%** Market Share

- **No. 2** in Overall Consumer finance
- **No. 1** in CC EMI - **44%** Market share
- **No. 1** in DC EMI - Online Market share
- CD Market share **10%**

## Contd..



- Under agriculture finance, the Bank currently has a presence in 1.65 Lakh villages. It aims to reach **2.5 Lakh** by Next March. HDFC Bank provides competitive interest loans for agricultural through the Retail Agri Loans segment.
- The bank grew its reach and is serving 1.41 Lakh customers across **923** locations with an active AUM exceeding 4,30,000 Crore including MF AUM of H73,000 Crore.

## Contd..



- Launched a revamped **PayZapp 2.0** payments app that provides customers with a seamless, intuitive user experience with enhanced security features.
- HDFC Bank and HDFC Limited **merged** with effect from July 1, 2023, creating one of the world's most valued Banks. This transforms HDFC Bank into a financial services conglomerate and completes the product suite through the addition of home loans.





## Contd..

- Intrinsic Value Discount of HDFC Bank is **50%** coupled with the recent corrections in prices. This is the best time to accumulate such a bluechip well-managed company stock.

# INTRINSIC VALUE



**EARNINGS**



**GROWTH**



**TIME**

# Acknowledged for excellence

## Asiamoney Best Bank Awards 2022

Best Domestic Corporate Bank  
Best Bank for SMEs  
Best Bank for Diversity & Inclusion

## Euromoney Awards for Excellence 2022

Best Bank in India

## Fortune India – Grant Thornton Bharat's study of India's Best Banks 2022

Best Large Bank

## FinanceAsia's Best Companies in Asia Poll 2022

Most Committed to High Governance Best Standards

## CII DX 2022 Digital Transformation Award

For 'Changing Customer Experience in Rural Banking' in the category of Most Innovative Practice in Customer Experience through Digital Transformation

## Business Standard Banker of the Year 2022

MD & CEO Mr. Sashidhar Jagdishan

## BT-KPMG Best Banks Awards

Best Large Indian Bank

## Global Fintech Fest

Xpress Car Loan adjudged 'Best in Class Lending Solution'

## Euromoney's Market Leaders rankings

India – SME Banking  
India – Diversity & Inclusion

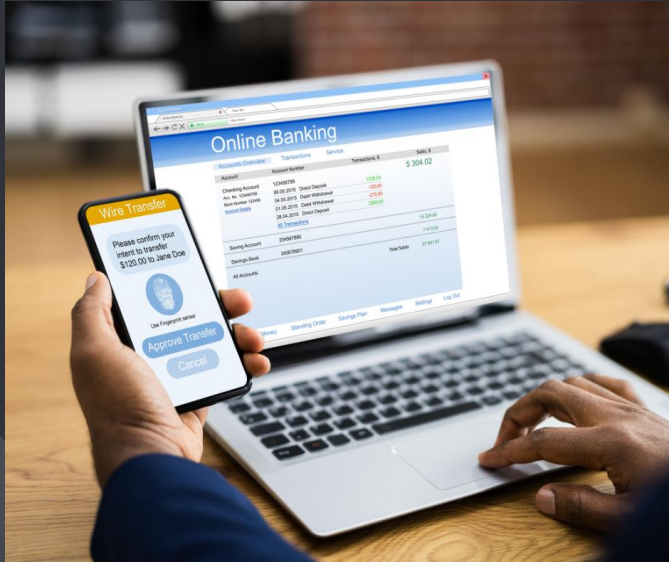


# Negatives



- **Debt Equity Ratio** is high as company is into banking business. The higher interest coverage ratio should accommodate the risk raised from default by borrowers.
- Tighter **monetary policy** would impact the speed and scale of growth for the bank.
- **De-dollarization** would create rate fluctuations & significant impact in exchange rates & bottom line.
- **Cyber Data Risk** imposed by cyber attacks on banks system, phishing causes disruption in services.

# Cond..



- **Transition risk** can impact the Bank's credit portfolio resulting from changes in the climate policy, technology, consumer, and market sentiment during the transition to a low-carbon economy. This is particularly relevant for policy changes that can result in loan defaults from certain sectors like coal, thermal, and infrastructure.
- Acute physical **hazards** can have a negative influence on a credit portfolio by causing bad debts due to damage to property, infrastructure, and land. This is also relevant for climate disasters destroyin

## Profit & Loss

	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Trailing
Revenue	85,288	105,161	122,189	128,552	135,936	170,754	251,764
Interest	42,381	53,713	62,137	59,248	58,584	77,780	133,053
Expenses +	29,532	34,856	45,459	52,457	56,557	63,042	132,119
Financing Profit	13,374	16,592	14,593	16,848	20,795	29,932	-13,409
Financing Margin %	16%	16%	12%	13%	15%	18%	-5%
Other Income +	16,057	18,947	24,879	27,333	31,759	33,912	88,999
Depreciation	967	1,221	1,277	1,385	1,681	2,345	0
Profit before tax	28,464	34,318	38,195	42,796	50,873	61,498	75,590
Tax %	35%	35%	29%	26%	25%	25%	
<b>Net Profit +</b>	<b>18,561</b>	<b>22,446</b>	<b>27,296</b>	<b>31,857</b>	<b>38,151</b>	<b>46,149</b>	<b>60,068</b>
EPS in Rs	35.66	41	49.7	57.74	68.62	82.44	89.59

# WARREN BUFFETT CHECKLIST



Type	Value
ECONOMIC MOAT	Good
GROWTH	Good
VALUATION	Good
DEBT	Moderate
INTEGRITY	Good



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# MULTIBAGGER

The company has the potential to become multibagger in the order of 500-2500% in 5-10 year term.

## BUYING STRATEGY

70% on current price levels, Remaining on 30% correction levels

[Conservative Investors can Buy 50% then remaining on 30% correction levels]

## HOLDING PERIOD

5 Years

[We are into LONG TERM INVESTING and Investor should not expect quick up movements in price. Incremental Investing is advised & Any corrections should be considered as Opportunity to add more – Remember our focus should be the 500% Future returns – so any price correction investments will zoom the returns]

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# BEAR MARKET IS AN OPPORTUNITY



Bear Market is an Important Phase of Stock Market.  
But Bear Market gives Discounted Prices!

IF you are a long-term investor, you don't need the money invested.  
So don't worry about short-term price corrections.

Instead, during a bear market you have to take advantage of the discounts. For eg: during 2020 crash Tata Elxsi was trading at 30% Discount around Rs. 600. Futurecaps declared it as Multibagger & it gave 2000% 20X returns in 2 years!!

**That is the Power of Bear Market!**

All Celebrity Investors love Bear Market!!

Invest wisely in good quality growth companies during bear market to be on the SUPER RICH PATH!

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# MULTIBAGGER PLAN

**SUBSCRIBE TO 2 YEAR  
MULTIBAGGER PLAN**

You will get **3 SUPER MULTIBAGGERS** immediately  
which have good growth potential & celebrity invested

&

Available@ 30% Discount from Peak!

**BUY NOW**



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