HDFC BANK

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Research Report

HDFC BANK LTD



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Company Overview

HDFC Bank is one of the largest private sector banks in India, headquartered in Mumbai. It was incorporated in August 1994 and started its banking operations in January 1995 after receiving approval from the Reserve Bank of India. The bank provides a wide range of financial services including retail banking, corporate banking, loans, credit cards, and digital banking solutions. Over the years, HDFC Bank has built a strong presence across India with thousands of branches and millions of customers, making it one of the leading banks in the Indian banking sector.

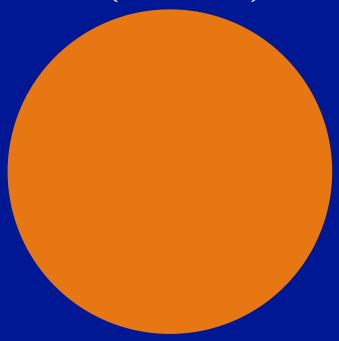
Stock data (as 17th Nov 2026)

Nifty Price	**: 25387.00**
52 week High (in Rs.)	**: 1,017.50**
52 week Low (in Rs.)	**: 669.20**
Market Cap. (in Crore)	**: 12,57,664.37 Cr**
NSE Code	**: INE040A01034**

Stock data



Shareholding Pattern (Oct 2026)



-PUBLIC GROUP
100%

Key Business segments

HDFC Bank revenue mix — quarter ended September 2026

- Retail Banking: 49.23%
- Wholesale Banking: 32.82%
- Treasury: 11.92%
- Other Banking Operations: 6.04%

HDFC Bank's revenue mix comprises Retail Banking (49.23%), Wholesale Banking (32.82%), Treasury (11.92%) and Other Banking Operations (6.04%), based on reported September 2026 quarterly segment revenue before eliminating inter-segment transactions.

Synopsis of Financials

Synopsis of Financials – FY 2025–26

- Revenue: +3.6%, ₹3,48,615 crore
- Net Profit: +7.9%, ₹79,219 crore
- Other Income: +9.1%, ₹1,46,848 crore
- Total Income: +5.2%, ₹4,95,463 crore
- Profit Attributable to the Group: +7.4%, ₹76,026 crore

HDFC Bank's financial performance reflects steady business growth, diversified income streams and disciplined execution, with future progress dependent on funding efficiency, cost management, asset quality and sustained customer engagement across markets.

Financial Summary

Particulars	Mar 2024	Mar 2025	Mar 2026
Revenue -	283,649	336,367	348,615
Revenue growth	66%	19%	4%
Interest	154,139	183,894	185,491
Expenses +	174,196	186,974	203,635
Financing Profit	-44,685	-34,501	-40,511
Tax %	15%	24%	22%
Net Profit +	65,446	73,440	79,219
EPS in Rs	42.16	46.26	49.39

Source: Company Annual Report

Quaterly Results

Particular	Sep-25	Dec 2025	Mar 2026	Jun 2026	Sep-26
Revenue -	86,994	87,067	87,182	90,575	95,132
YoY Revenue growth	5%	2%	0%	4%	9%
Interest	46,741	45,821	45,220	47,626	50,667
Expenses +	45,161	54,145	44,028	58,292	50,029
Financing Profit	**-4,908**	**-12,899**	**-2,066**	**-15,342**	**-5,565**
Financing Margin %	-6%	-15%	-2%	-17%	-6%
Other Income +	31,567	39,860	29,737	42,535	34,227
Depreciation	0	0	0	0	0
Profit before tax	**26,659**	**26,961**	**27,672**	**27,193**	**28,663**
Tax %	24%	23%	24%	25%	25%
Net Profit +	**20,364**	**20,691**	**21,074**	**20,383**	**21,537**
EPS in Rs	12.76	12.87	13.22	12.5	13.43

Source: Screener

Source: Annual Report

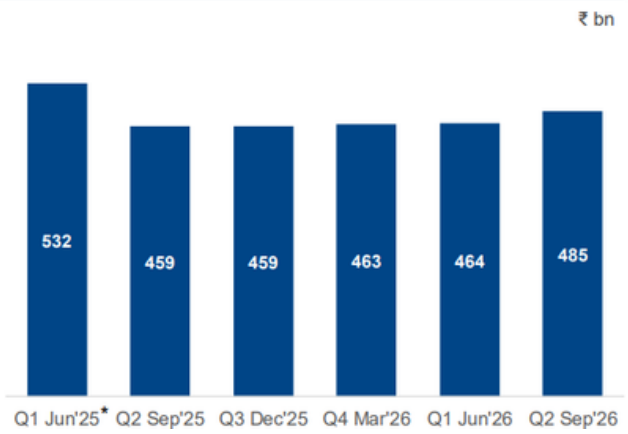
Yearly Results

Particular	Mar 2022	Mar 2023	Mar 2024	Mar 2025	Mar 2026
Equity Capital	555	558	760	765	1,539
Reserves	246,772	288,880	455,636	521,024	584,520
Deposits	1,558,003	1,882,663	2,376,887	2,710,898	3,099,638
Borrowing	226,966	256,549	730,615	634,606	588,485
Other Liabilities +	90,639	101,783	466,296	524,817	633,519
Total Liabilities	2,122,934	2,530,432	4,030,194	4,392,110	4,907,701
Fixed Assets +	6,432	8,431	12,604	15,258	16,492
Investments	449,264	511,582	1,005,682	1,186,473	1,280,216
Other Assets +	1,667,238	2,010,419	3,011,909	3,190,379	3,610,993
Total Assets	**2,122,934**	**2,530,432**	**4,030,194**	**4,392,110**	**4,907,701**

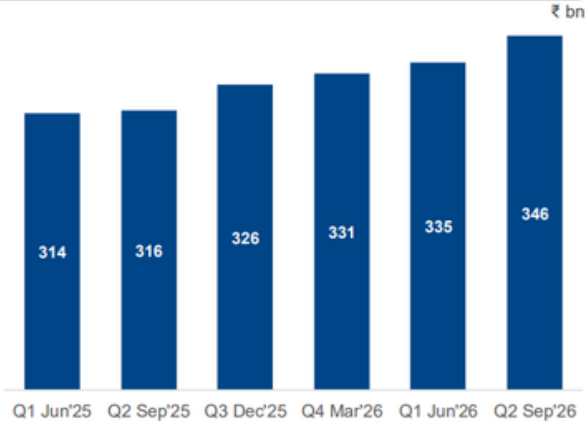
Source: Screener

Highlights

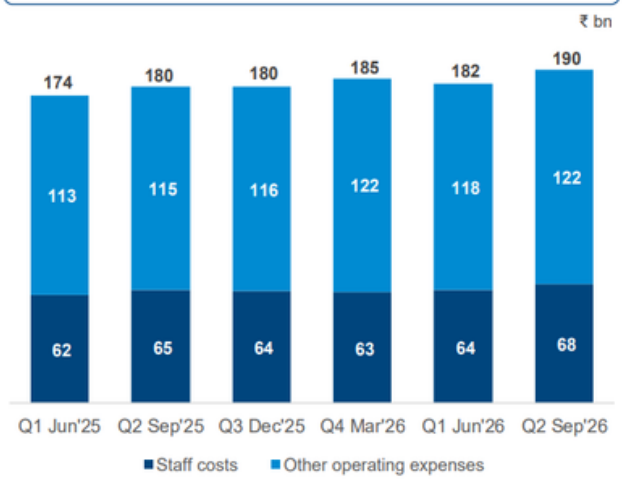
Net revenue



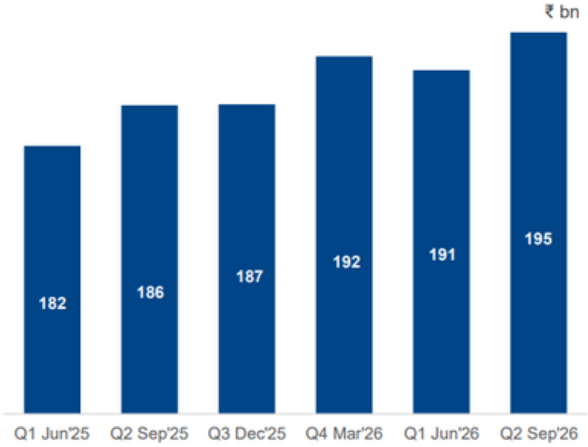
Net interest income



Operating expenses



Standalone profit after tax



Source: Investor Presentation

Peer Comparison

Peer Stock Performance (5Y) Indexed



Source: Trading View

Peer Financial Performance

Name	CMP Rs.	P/E	Mar Cap Rs.Cr.	NP Qtr Rs.Cr.	Qtr Profit Var %	Sales Qtr Rs.Cr.	Qtr Sales Var %	Debt Rs.Cr.	EV Rs.Cr.
HDFC Bank	814.1	15.69	1257122	21537.09	5.55	95131.63	9.35	3918290	5000256
ICICI Bank	1599	19.46	1149432	17388.86	22.28	55991.91	16.21	2387100	3436336
Kotak Mah. Bank	496.65	23.34	495086.5	5645.38	26.34	19855.87	15.45	770578.9	1202707
Axis Bank	1367.65	14.25	426714	7665.94	39.38	38087.48	17.88	1774776	2119248
Federal Bank	365.5	17.42	90397.34	1568.21	51.08	8382.84	16.17	380184.7	453774.1

Source: Screener

Synopsis Quarter Results

HDFC Bank reported higher consolidated income and profit for the quarter ended September 30, 2026. Its results showed growth in interest income, an increase in other income and slightly lower provisions. However, operating expenses increased faster than total income, limiting the pace of profit growth.

Consolidated total income increased by 9.1% year-on-year to ₹1,29,359 crore, compared with ₹1,18,561 crore in the corresponding quarter last year. Interest income remained the largest contributor, rising 9.4% to ₹95,132 crore from ₹86,994 crore. Other income increased 8.4% to ₹34,227 crore, providing additional support to overall earnings during the quarter.

Net profit before minority interest rose 5.8% to ₹21,537 crore, against ₹20,364 crore a year earlier. After deducting minority interest, profit attributable to the group increased 5.6% to ₹20,700 crore from ₹19,611 crore. The distinction matters because consolidated earnings include subsidiaries, while minority interest represents the share belonging to their other shareholders.

Operating profit before provisions and contingencies increased 6.2% to ₹32,872 crore, compared with ₹30,941 crore in the previous year. This improvement reflected higher income, although rising expenditure absorbed part of the gains. Interest expenses increased 8.4% to ₹50,667 crore, while operating expenses rose 12.1% to ₹45,820 crore.

The consolidated expense figures include insurance claims, benefits and related expenses, alongside employee costs and other operating expenditure. They therefore reflect the broader group's activities rather than the banking business alone.

Provisions and contingencies declined 1.7% year-on-year to ₹4,209 crore from ₹4,282 crore. The reduction supported profitability, with profit before tax and minority interest increasing 7.5% to ₹28,663 crore. Tax expenses rose to ₹7,125 crore from ₹6,295 crore, moderating the growth recorded in profit after tax.

Overall, the quarter combined healthy income expansion with moderate earnings growth. Interest income provided the main contribution, while other income and lower provisions added support. The faster increase in operating expenditure remains a factor to monitor when assessing future profitability. These figures relate to consolidated Q2 FY27 performance and should be compared consistently with the corresponding consolidated quarter of the previous financial year.

Source: Screener

Final Outlook

HDFCBANK: HOLD ₹830

HDFC Bank's outlook remains cautiously positive, supported by its established franchise, diversified operations and continued income growth. However, higher operating expenditure moderated earnings expansion, making cost efficiency and disciplined lending important for future profitability.

Consolidated Q2 FY27 total income increased 9.1% year on year to ₹1,29,359 crore, while profit attributable to the group rose 5.6% to ₹20,700 crore. Operating expenses increased 12.1%, highlighting the need for improved productivity.

Anup Bagchi became Managing Director and Chief Executive Officer on October 27, 2026, succeeding Sashidhar Jagdishan. His appointment received RBI approval for three years. His experience across banking, wealth management, capital markets and insurance could support business development, although measurable benefits will depend on execution. www.hdfc.bank.in

Deposit mobilisation and funding costs remain central to margin performance. Sustainable lending growth will require stable deposits, appropriate pricing and careful borrower selection. Investors should monitor management's strategic priorities and its ability to balance expansion with financial discipline.

Provisions declined 1.7% during the quarter, supporting earnings. Nevertheless, asset quality should be assessed through nonperforming loans, recoveries and portfolio trends rather than provisions alone.

Overall, the operating outlook is constructive, with leadership execution, funding, margins and credit quality determining future performance. An investment recommendation requires assessment of prevailing valuation, earnings expectations and potential returns. Business strength must be matched by an attractive purchase price to support the investment case.

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