

About HDFC Securities Limited Unlisted Equities

(i) HDFC Securities Limited, a reputed financial broking firm, is a subsidiary of HDFC Bank, India's leading private sector bank. Based in Mumbai, this leading brokerage has an illustrious history spanning two decades since its inception in 2000. Initially, HDFC Securities came into existence due to a joint venture between HDFC Bank Limited, HDFC Limited, and Indocean eSecurities Holdings Limited.

(ii) Besides offering world-class stock broking services, HDFC Securities has expanded its horizons as a leading distributor of various financial products. A notable change came in 2006 when HDFC Bank acquired shares in HDFC Ltd. Subsequently, Indo Ocean Securities acquired a further 4% in 2008, strengthening HDFC Securities' position as a subsidiary of HDFC Bank.

(iii) HDFC Securities Ltd acts as the securities trading and distribution arm of the HDFC Group, with a reputation as one of India's leading brokerage firms. As a reflection of its corporate presence, the company is an associate member of the BSE and NSE. The company's comprehensive online trading portal has gained immense recognition among professional traders.

(iv) As of March 31, 2020, HDFC Securities has 262 branches across 161 cities in India. To strengthen its reach, the company invests in multiple digital platforms to ensure customers have seamless access to its diverse offerings.

(v) Service Overview:

A look back at HDFC Securities' unlisted stocks over the last five years can be seen as follows:

Year	Total Income (in Crores)	PAT (in Crores)	Dividend Per Share (in Rs.)
2016	402	202	20
2017	553	329	60
2018	788	524	110
2019	771	495	110
2020	862	509	135
2021	1368	703	318
2022	1990	984	547

The share price performance of HDFC Securities unlisted shares from April 2022 to April 2023 has shown some change. This is due to the weak demand in the unlisted segment and the relatively flat financial performance of the securities segment for FY23. As of August 7, 2023, the share price is Rs 12,400 in the unlisted market, which is around Rs 12,200 as of April 2022.

(vi) Current Market Valuation Snapshot:

The market valuation of HDFC Securities unlisted shares can be calculated by multiplying the total number of issued shares by the current share price. Specifically, with the number of issued shares at Rs 1,583 crore and the share price at Rs 12,400, the company is valued at around Rs 20,000 crore. Moreover, with FY23 earnings per share (EPS) at 489, HDFC Securities has a price-to-earnings ratio (PER) of 25. This ratio is an important metric in assessing a company's market value concerning earnings.

Fundamentals

Fundamentals			
HDB Financial Services Limited	12,010 Per Equity Share	Market Cap (in cr.)	19164
Unlisted Shares Price		P/E Ratio	20.15
Lot Size	25 Shares	P/B Ratio	9.45
52 Week High	12,010	Debt to Equity	4.7
52 Week Low	10,500	ROE (%)	46.87
Depository	NSDL & CDSL	Book Value	1276.75
PAN Number	AAACH8215R	Face Value	10
ISIN Number	INE700G01014		
CIN Number	U67120MH2000PLC152193		
RTA	N/A		

Financials (Figures in cr)

Balance Sheet				
Assets	2021	2022	2023	2024
Fixed Assets	60	76	80	62
CWIP	10	3	28	5.5
Investments	250	258	1227	1018
Trade Receivables	439	506	407	1286
Inventory	0	0	0	0
Other Assets	4000	7079	6526	11731.5
Total Assets	4759	7922	8268	14103
Liabilities	2021	2022	2023	2024
Share Capital	15.8	15.8	15.8	15.97
FV	10	10	10	10
Reserves	1464	1642	1781	2013
Borrowings	2040	4619	4619	9532
Trade Payables	1040	1420	982	2174
Other Liabilities	199.2	225.2	870.2	368.03
Total Liabilities	4759	7922	8268	14103

P&L Statement				
P&L Statement	2021	2022	2023	2024
Revenue	1399	1990	1891	2660
Cost of Material Consumed	0	0	0	0
Gross Margins	100	100	100	100
Change in Inventory	0	0	0	0
Employee Benefit Expenses	233	257	275	384
Other Expenses	131	214	222	340
EBITDA	1004	1504	1377	1936
OPM	73.39	76.15	73.48	72.78
Other Income	31	15	17	0
Finance Cost	53	156	296	600
D&A	36	42	57	64
EBIT	968	1462	1320	1872
EBIT Margins	70.76	74.03	70.44	70.38
PBT	945	1320	1042	1271
PBT Margins	69.08	66.84	55.6	47.78
Tax	242	336	265	320
PAT	703	984	777	951
NPM	51.39	49.82	41.46	35.75
EPS	444.94	622.78	491.77	595.49
Financial Ratios	2021	2022	2023	2024
Operating Profit Margin	73.39	76.15	73.48	72.78
Net Profit Margin	51.39	49.82	41.46	35.75
Earning Per Share (Diluted)	444.94	622.78	491.77	595.49

Cash-Flow Statement				
Cash- Flow Statement	2021	2022	2023	2024
PBT	945	1320	1042	1271
OPBWC	1049	1529	1367	1891
Change in Receivables	-281	-72	77	-894
Change in Inventories	0	0	0	0
Change in Payables	387	381	-439	1193
Other Changes	-1845	-2359	-363	-4618
Working Capital Change	-1739	-2050	-725	-4319
Cash Generated From Operations	-690	-521	642	-2428
Tax	-247	-341	-271	-319
Cash Flow From Operations	-937	-8862	371	-2747
Purchase of PPE	-59	-73	-80	-160
Sale of PPE	0	0	0	74
Cash Flow From Investment	-256	-58	-973	207
Borrowing	1340	2569	635	4278
Divided	-501	-864	-697	-812
Equity	12	31	35	-14
Others From Financing	-44	-147	-296	-506
Cash Flow from Financing	807	1589	-323	2946
Net Cash Generated	-386	669	-925	406
Cash at the Start	982	648	1318	392
Cash at the End	596	1317	393	798