



IPO INSIGHTS



Aadhar Housing Finance Limited

Issue Dates - Opens: 08-05-2024 | Closes: 10-05-2024

IPO Note	<ol style="list-style-type: none"> Aadhar Housing Finance Limited is a housing finance company targeting the lower income segment. The Company provides a variety of mortgage loan products for residential and commercial property purchase and construction, home improvement and extension.
Rating	★★★ (Good)

IPO SNAPSHOT

Issue Size	₹3000 Crores
Issue Type	Book Built Issue IPO
Fresh Issue	₹1000 Crores
Offer for Sale	₹2000 Crores
Face Value Per Share	₹10
Price Band Per Share	₹300 to ₹315
Minimum Lot Size	47 shares
Listing On	BSE, NSE
Registrar to the Issue	Kfin Technologies Limited

IPO SNAPSHOT – Aadhar Housing Finance Limited

About the Company	<ul style="list-style-type: none"> ▪ Incorporated in 2010 ▪ The Company is a retail-focused HFC focused on the low income housing segment, serving economically weaker and low-to-middle income customers, who require small ticket mortgage loans. ▪ The Company offer a range of mortgage-related loan products, including loans for residential property purchase and construction home improvement and extension loans, and loans for commercial property construction and acquisition. ▪ The Company operate a financially inclusive, customer centric lending business and believe that our business model contributes significantly to the economic uplift of our target customers by contributing to an improvement in their standard of living. ▪ The company provides a variety of mortgage loan products for residential and commercial property purchase and construction, home improvement and extension. ▪ The Company secure financing from a variety of sources including term loans and cash credit/ working capital facilities, proceeds from loans assigned, proceeds from the issuance of NCDs, refinancing from the NHB and subordinated debt borrowings from banks, mutual funds, insurance companies and other domestic, development financial institutions to meet their capital requirements. ▪ The Company is a housing finance company targeting the lower income segment. 																														
Competitive Strengths	<ul style="list-style-type: none"> ▪ Seasoned business model with strong resilience through business cycles ▪ Extensive branch and sales office network, geographical penetration and sales channels which contribute significantly to loan sourcing and servicing ▪ Robust, comprehensive systems and processes for underwriting, collections and monitoring asset quality ▪ Access to diversified and cost-effective long-term financing with a disciplined approach to asset liability and liquidity management ▪ Social objectives are one of the core components of our business model ▪ Experienced, cycle-tested and professional management team with strong corporate governance 																														
Financials (₹ in Crores)	<table border="1"> <thead> <tr> <th>Particulars</th> <th>31-3-2021</th> <th>31-3-2022</th> <th>31-03-2023</th> <th>Y-o-Y</th> </tr> </thead> <tbody> <tr> <td>Revenue</td> <td>1575.33</td> <td>1728.27</td> <td>2043.23</td> <td>18%</td> </tr> <tr> <td>EBITDA</td> <td>1259.45</td> <td>1341.52</td> <td>1536.21</td> <td>15%</td> </tr> <tr> <td>EBITDA Margin</td> <td>79.9%</td> <td>77.6%</td> <td>75.2%</td> <td></td> </tr> <tr> <td>PAT</td> <td>340.13</td> <td>444.85</td> <td>544.76</td> <td>22%</td> </tr> <tr> <td>PAT Margin</td> <td>21.6%</td> <td>25.7%</td> <td>26.7%</td> <td></td> </tr> </tbody> </table>	Particulars	31-3-2021	31-3-2022	31-03-2023	Y-o-Y	Revenue	1575.33	1728.27	2043.23	18%	EBITDA	1259.45	1341.52	1536.21	15%	EBITDA Margin	79.9%	77.6%	75.2%		PAT	340.13	444.85	544.76	22%	PAT Margin	21.6%	25.7%	26.7%	
Particulars	31-3-2021	31-3-2022	31-03-2023	Y-o-Y																											
Revenue	1575.33	1728.27	2043.23	18%																											
EBITDA	1259.45	1341.52	1536.21	15%																											
EBITDA Margin	79.9%	77.6%	75.2%																												
PAT	340.13	444.85	544.76	22%																											
PAT Margin	21.6%	25.7%	26.7%																												
Valuation	<ul style="list-style-type: none"> ▪ Attributing Annualized FY23 Earnings asking P/E = 22.81 																														
Peers	<table border="1"> <thead> <tr> <th>Company Name</th> <th>P/E ratio</th> </tr> </thead> <tbody> <tr> <td>Aptus Value Housing Finance India Limited</td> <td>32.54</td> </tr> <tr> <td>Aavas Financiers Limited</td> <td>29.16</td> </tr> <tr> <td>Home First Finance Company India Limited</td> <td>34.67</td> </tr> <tr> <td>India Shelter Finance Corporation Limited</td> <td>33.12</td> </tr> </tbody> </table> <p>Note : P/E ratio is calculated as closing share price as on 03rd May,2024.</p>	Company Name	P/E ratio	Aptus Value Housing Finance India Limited	32.54	Aavas Financiers Limited	29.16	Home First Finance Company India Limited	34.67	India Shelter Finance Corporation Limited	33.12																				
Company Name	P/E ratio																														
Aptus Value Housing Finance India Limited	32.54																														
Aavas Financiers Limited	29.16																														
Home First Finance Company India Limited	34.67																														
India Shelter Finance Corporation Limited	33.12																														
Promoters	<ul style="list-style-type: none"> ▪ BCP Topco Pte Ltd 																														
Objects of the issue	<ul style="list-style-type: none"> ▪ To meet future capital requirements towards onward lending ▪ General corporate purposes 																														

DISCLAIMER

The information provided by or in this newsletter is generally from the press reports, electronic media, research websites and other media. It also includes information from interviews conducted, analysis, views expressed by our research team. Investors should not rely solely on the information contained in this publication and must make their own investment decision based on their specific objectives and financial positions and using such independent advisor as they believe necessary. The material and the information provided herein are not and should not be construed as an advice to buy or sell any of the securities named in this newsletter. SIHL may or may not hold positions in any of the securities named in this newsletter as a part of its business. Past performance is not necessarily an indication of future performance. SIHL does not assure for accuracy and correctness of information of reports in this newsletter.

