

Q2 2025

1. Net interest margin trends

- **Narrative:** Management highlighted their strategic focus on organically improving the net interest margin (NIM) closer to the targeted range of 9% to 10%. The emphasis is on achieving this target through internal growth rather than through external acquisitions or other inorganic means.

- **Management's Guidance:**

- Management anticipates a gradual enhancement in the net interest margin, with an expected improvement in the range of 3 to 5 basis points. This improvement is envisioned as a consistent trend over future quarters.

- **Actual Results:**

['Q2', '2025']:

- Data Not Available

- **Evaluation:**

- Insufficient Info: Data not available.

2. Profitability analysis

- **Narrative:** The management of HDFC has outlined a strategic plan for the company's growth trajectory over the next few years. They have adjusted their expectations to achieve certain financial benchmarks more rapidly than previously anticipated. Their discussions indicate a deliberate pace of growth with a focus on aligning with and eventually surpassing industry standards.

- **Management's Guidance:**

- Management anticipates reaching the high 80s in their performance metric within two to three years, accelerating their previous target of four to five years. For FY '25, the company projects slower growth compared to the industry average. By FY '26, they aim to match the industry growth rate. In FY '27, HDFC plans to exceed the industry's growth rate.

- **Actual Results:**

['Q2', '2025']:

- Data Not Available

- **Evaluation:**

- Insufficient Info: Data not available.

3. Credit risk assessment

- **Narrative:** Management is focused on improving the credit risk assessment by strategically managing the credit-to-deposit (CD) ratio. They are planning to align credit growth with the system growth rate over the next few years. This approach is indicative of a cautious and methodical strategy to enhance the stability and sustainability of the loan portfolio.

- **Management's Guidance:**

- Management has outlined a plan to reduce the loan deposit ratio as part of their strategy to manage credit growth in line with the system's growth rate for the upcoming years, specifically targeting FY '25, '26, and '27.

- **Actual Results:**

['Q2', '2025']:

- Data Not Available

- **Evaluation:**

- Insufficient Info: Data not available.

4. Adherence to regulations

- **Narrative:** Management emphasized their commitment to compliance with evolving regulatory frameworks. They highlighted the necessity for timely submission of comments regarding upcoming regulatory changes and discussed preparations for adhering to new listing requirements for their subsidiary.

- **Management's Guidance:**

- Management indicated that they are preparing to submit necessary comments by the stipulated deadline of November 20. Furthermore, they are working towards ensuring HDB's compliance with the requirement to be listed by September 2025.

- **Actual Results:**

['Q2', '2025']:

- Data Not Available

- **Evaluation:**

- Insufficient Info: Data not available.

5. Liquidity coverage ratio trends

- **Narrative:** Management highlighted their consistent operational target range for the liquidity coverage ratio, emphasizing their strategic focus on maintaining this ratio between 110 to 120. This indicates a disciplined approach to liquidity management, ensuring sufficient liquidity to meet short-term obligations while optimizing capital deployment.

- **Management's Guidance:**

- Management reiterated their target liquidity coverage ratio range of 110 to 120, which they aim to maintain in future quarters.

- **Actual Results:**

['Q2', '2025']:

- The liquidity coverage ratio is reported to be at 128% in Q2 2025, which is above the targeted range of 110 to 120 specified by the management.

- **Evaluation:**

- **Expectations Exceeded:** The actual liquidity coverage ratio of 128% in Q2 2025 surpassed management's target range of 110 to 120, indicating stronger-than-expected liquidity management.

Q1 2025

1. Profitability analysis

- **Narrative:** Management has been focusing on improving profitability through strategic initiatives aimed at closing the gap in their SMF category target. They have shown a commitment to enhancing their market position by aligning their performance metrics closely with their strategic goals.

- **Management's Guidance:**

- Management expects to achieve their SMF category target of 10%, having reached close to 9% in the past year. They are actively working towards closing this gap as of June, with the understanding that this is a dynamic metric subject to change each quarter.

- **Actual Results:**

['Q1', '2025']:

- Data Not Available

['Q2', '2025']:

- Data Not Available

- **Evaluation:**

- Insufficient Info: Data not available.

2. Asset growth strategies

- **Narrative:** Management has indicated a strategic focus on adjusting the growth rate of advances relative to deposit growth. This suggests a cautious approach to asset growth, prioritizing the strengthening of the deposit base over expanding loan portfolios. The aim appears to be to enhance liquidity and ensure sustainable growth.

- **Management's Guidance:**

- Management expects to grow advances at a slower pace compared to deposit growth, suggesting a shift in strategy to bolster the deposit side of the balance sheet. Additionally, they observed a significant increase in monthly inflows, which are over 20% higher than the previous year's comparable period, indicating robust growth in deposit gathering.

- **Actual Results:**

['Q1', '2025']:

- Data Not Available

['Q2', '2025']:

- Data Not Available

- **Evaluation:**

- Insufficient Info: Data not available.

3. Geographic expansion plans

- **Narrative:** Management highlighted their efforts to expand geographic reach by targeting a significant number of villages, aiming to enhance the company's presence and market outreach.

- **Management's Guidance:**

- Management plans to engage with 225,000 villages to improve market penetration and reach.

- **Actual Results:**

['Q2', '2025']:

- 046c9293338706e015271d5f158027e4 --> Srinivasan Vaidyanathan [We grew 240-odd branches in this quarter, 350 something for the year so far. Last year, we grew 917 branches.]

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- 68d10c26a5beafd9aff4a766eed0db66 --> [HDFC Bank] 0.8 million customers and 44 branches added during Q2 FY25

['Q1', '2025']:

- Srinivasan Vaidyanathan [We are reaching out to 225,000 villages to get that reach to be there.]

- **Evaluation:**

- **Expectations Met:** Management aimed to engage with 225,000 villages to improve market penetration, and they confirmed reaching out to the target number of villages, aligning with their geographic expansion goals.

4. Post-merger financials

- **Narrative:** Management has articulated a strategic vision concerning the merger, emphasizing the importance of achieving certain financial metrics post-integration. This includes a focus on operational efficiencies and cost management to enhance profitability metrics.

- **Management's Guidance:**

- Management has set a target to reduce a specific financial metric to 30% in the longer term, reflecting an aspiration for improved financial performance post-merger.

- **Actual Results:**

['Q1', '2025']:

- Data Not Available

['Q2', '2025']:

- Data Not Available

- **Evaluation:**

- Insufficient Info: Data not available.

5. Borrowings prepayment strategies

- **Narrative:** Management highlighted the scheduled maturity profile for the year, indicating a strategic approach to managing borrowings and prepayments. The focus is on addressing the significant maturities, with a substantial portion already managed in the June quarter.

- **Management's Guidance:**

- The management has provided a maturity profile for the year, detailing a total scheduled maturity of INR650 billion, with INR250 billion of it already addressed in the June quarter.

- **Actual Results:**

['Q2', '2025']:

- cea67d8fa77122cbe8d336b45b00594e --> Srinivasan Vaidyanathan [borrowing mix in the funding profile is about 7% to 8%. For us also, it was 8% before, and

it went to 21%.] cea67d8fa77122cbe8d336b45b00594e --> Srinivasan Vaidyanathan [So thereby, currently, it's at about 16%. The borrowing mix is at 16% or so.] b2b468a61b19d39e44d1a564dc7441bd --> Borrowings 7,168 5,993 5,856 (137) (1,312) 94c2c1121e57ad4bc5649e75c086b01c --> Borrowings as a % of Total Liabilities 8% 21% 21% 18% 17% 16%

['Q1', '2025']:

- In Q1 2025, management reported that INR250 billion of borrowings were maturing and got paid in the June quarter, aligning with the management's guidance.
- **Evaluation:**
- **Expectations Met:** Management's guidance indicated addressing INR250 billion in borrowings with a scheduled maturity profile, and the actual results confirmed that this was managed in the June quarter as planned, aligning with their stated goals.

Q4 2024

1. Profitability analysis

- **Narrative:** The management has outlined a clear focus on enhancing profitability metrics in the medium to long term, specifically defining this period as between two to three years. Their strategic intent centers on improving return on assets (ROAs) and earnings per share (EPS) which are considered core profitability metrics. This approach includes maintaining stability in these metrics with a positive trajectory bias.

- Management's Guidance:

- Over the next two to three years, management aims to improve profitability metrics such as ROAs and EPS, maintaining stability with a positive bias in the trajectory.

- Actual Results:

['Q4', '2024']:

- In Q4 2024, the reported performance includes a Return on Assets (RoA) of 1.96% and a Return on Equity (RoE) of 15.4%. The consolidated Earnings Per Share (EPS) for the quarter was ₹ 23.2. Additionally, another report indicates an EPS of ₹ 21.7 and a Return on Assets of 2.0%.

['Q1', '2025']:

- In Q1 2025, the Return on Assets (ROA) was reported in the region of 1.9% to 2.1%, and the Earnings Per Share (EPS) for the quarter was INR 21.3.

['Q2', '2025']:

- Data Not Available

- Evaluation:

- **Expectations Met:** The actual results show a consistent improvement in profitability metrics with Return on Assets and Earnings Per Share within the expected range set by management, aligning with their medium to long-term strategic goals.

2. Technology investment plans

- **Narrative:** Management emphasized their ongoing commitment to investing in distribution, human resources, and technology. They highlighted the strategic importance of leveraging operating leverage through enhanced technology and digital infrastructure.

- Management's Guidance:

- Management plans to continue investing in distribution networks, personnel, and technological advancements. They aim to utilize operating leverage to enhance technological and digital infrastructure over time.

- Actual Results:

['Q1', '2025']:

- Data Not Available

['Q4', '2024']:

- 3257d1b533f55fd1ae81f672010d461d --> Information Technology 116 0.4%

['Q2', '2025']:

- Around 96% of the active clients utilized the services offered through company's digital platforms

- Evaluation:

- **Expectations Met:** The management's plan to enhance technological and digital infrastructure was reflected in the high adoption rate, with around 96% of active clients utilizing digital services, aligning with their strategic goals.

3. Geographic expansion plans

- **Narrative:** Management emphasized their strategic initiative to bolster presence across rural and semi-urban areas by expanding operations to 225,000 villages. Additionally, the company broadened its small and medium enterprise business outreach to 715 districts nationwide, highlighting a significant push towards deeper market penetration in diverse geographic locations.

- Management's Guidance:

- Management has undertaken substantial geographic expansion with the aim to solidify its market presence through increased village coverage and enhanced distribution of agriculture and allied products. This includes the addition of 75 Smart Banking lobbies, indicating a focused approach towards expanding their distribution network.

- Actual Results:

['Q1', '2025']:

- In Q1 FY25, HDFC reported reaching out to 225,000 villages as part of their geographic expansion strategy. Additionally, they added 1 million customers and 45 branches during the quarter, as well as expanded their distribution network to include 275 branches and 497 digital offices.

['Q4', '2024']:

- The company expanded to 225,000 villages and extended its small and medium enterprise business to 715 districts across the country. Additionally, 75 Smart Banking lobbies were added during the year.

['Q2', '2025']:

- Data Not Available

- Evaluation:

- **Expectations Met:** HDFC successfully expanded to 225,000 villages and extended its SME business to 715 districts, aligning with management's strategic goals for geographic expansion and distribution network enhancement.

4. Competitive positioning

- **Narrative:** Management emphasized their commitment to focusing on gaining market share over the extended time frame of the next 10 years. This strategy is aimed at solidifying their competitive positioning within the industry.

- **Management's Guidance:**

- Management confidently projected that the company will continue to gain market share over the next decade.

- **Actual Results:**

['Q1', '2025']:

- Q1FY25 Gross direct premium market share of 5.2% in overall industry and 7.8% amongst private sector insurers

['Q2', '2025']:

- Q2FY25 Gross direct premium market share of 6.3% in overall industry and 9.5% amongst private sector insurers.

['Q4', '2024']:

- Q4FY24 Gross direct premium market share of 6.8% in overall industry and 10.2% amongst private sector insurers

- **Evaluation:**

- **Expectations Met:** Management's goal to gain market share over a decade is on track, as seen from the consistent increase in market share across different quarters in both overall industry and private sector insurers.

5. Liquidity coverage ratio trends

- **Narrative:** Management emphasized the importance of sustaining the deposit franchise, with a particular focus on retail deposits, as a key strategy for managing liquidity coverage ratio trends. This approach highlights the company's commitment to maintaining a stable and robust liquidity position.

- **Management's Guidance:**

- Management aims to ensure the sustainability of the deposit franchise, emphasizing the critical role of the retail deposits segment in achieving this goal.

- **Actual Results:**

['Q4', '2024']:

- Data Not Available

['Q1', '2025']:

- Liquidity coverage ratio Post-merger was 121% in September 2023 and increased to 123% in June 2024.

['Q2', '2025']:

- Data Not Available

- **Evaluation:**

- **Expectations Exceeded:** The liquidity coverage ratio increased from 121% to 123%, surpassing management's guidance of sustaining the deposit franchise, indicating enhanced liquidity management post-merger.

6. Borrowings prepayment strategies

- **Narrative:** The management elaborated on their approach to managing the liquidity and capital by focusing on efficient prepayment strategies for borrowings. These strategies are expected to optimize the loan-to-deposit ratio (LDR) in the future and address upcoming bond maturities.

- **Management's Guidance:**

- Management indicated that the Loan-to-Deposit Ratio (LDR) or incremental LDR is likely to be slightly lower over the next couple of years due to the obligation of repaying some bond maturities. Additionally, it was mentioned that the high-cost borrowing maturities are expected to start from FY '25 onwards.

- **Actual Results:**

['Q1', '2025']:

- Ravi Purohit: "there has been a significant drop in the borrowings, INR75,000 crores in the March quarter and about INR60,000-odd crores in the June quarter." [Srinivasan Vaidyanathan] INR160 billion that went down in the term deposits. [Srinivasan Vaidyanathan] We did take down close to INR60,000-odd crores or INR600 billion of borrowings down. [Srinivasan Vaidyanathan] About INR150 billion was commercial papers - which matured, and we had to run it down anyway. [Srinivasan Vaidyanathan] INR250 billion were maturing that got paid in June quarter. Kunal Shah [60% of the borrowings are coming up for maturity in less than 3 years.] [Borrowings] Borrowings 2,094 6,622 5,993 (629)

['Q2', '2025']:

- Data Not Available

['Q4', '2024']:

- 07e0048619cafdbae88afea4973f4e2e --> Srinivasan Vaidyanathan [750, out of which INR29,000 crores is either commercial paper or term borrowings that came from HDFC Limited and the rundown.]

- **Evaluation:**

- **Expectations Met:** The management's strategy to optimize the Loan-to-Deposit Ratio (LDR) through efficient prepayment strategies was reflected in the significant reduction of borrowings by INR75,000 crores in Q1 and INR60,000 crores in Q2 of 2025, aligning with their guidance on handling bond maturities.

7. Capital adequacy requirements

- **Narrative:** Management discussed their strategic approach to maintaining liquidity and capital adequacy, emphasizing the importance of keeping reserves to manage future bond maturities effectively.

- **Management's Guidance:**

- Management indicated a priority to maintain sufficient reserves to handle the maturity pattern of the upcoming year, ensuring the repayment of bond maturities.

- **Actual Results:**

['Q4', '2024']:

- Capital adequacy ratio is healthy at 18.8%

['Q1', '2025']:

- Capital adequacy ratio at 19.3% of which CET1 at 16.8%

['Q2', '2025']:

- Data Not Available

- **Evaluation:**

- **Expectations Met:** Management aimed to maintain sufficient reserves for bond maturities, and the actual capital adequacy ratio remained healthy, increasing from 18.8% in Q4 2024 to 19.3% in Q1 2025, indicating their strategic approach was effective.

Q3 2024

1. Net interest margin trends

- **Narrative:** Management has highlighted their focus on balancing deposit and loan growth rates to optimize the bank's net interest margin. The strategic approach involves ensuring that the deposit growth rate significantly surpasses loan growth, which is crucial for maintaining economic viability.

- **Management's Guidance:**

- Management anticipates that the deposit growth rate will exceed the loan growth rate by at least 300 to 400 basis points, which is essential for optimizing economic performance. The process of deposit repricing is expected to be completed within a quarter to improve the net interest margin.

- **Actual Results:**

['Q4', '2024']:

- Net interest margin (NIM) Post-merger 4.3%

['Q2', '2025']:

- Data Not Available

['Q1', '2025']:

- Net interest margin of 3.47%

['Q3', '2024']:

- The core net interest margin for the quarter was at 3.4%, and on an interest earning asset basis, net interest margin for the quarter was at 3.6% and was flat to prior quarter.

- **Evaluation:**

- **Expectations Not Met:** The actual net interest margin was 3.4% in Q3 2024 and 3.47% in Q1 2025, which did not meet the management's expectation of optimizing economic performance through a significant deposit growth rate exceeding loan growth by 300 to 400 basis points.

2. Profitability analysis

- **Narrative:** During the Q3 2024 earnings discussion, management emphasized their focus on accelerating growth rates, aiming for a substantial increase in revenue growth.

- **Management's Guidance:**

- Management projects a target growth rate moving into the high teens to around 20% in the upcoming quarters.

- **Actual Results:**

['Q4', '2024']:

- Data Not Available

['Q1', '2025']:

- Data Not Available

['Q2', '2025']:

- Data Not Available

['Q3', '2024']:

- Net revenues for the quarter were at INR396 billion, which grew by 25.8% over prior year. The profit before tax was at INR194 billion, which grew by 19.8% over prior year. Net profits after tax for the quarter was at INR164 billion, grew by 33.5% over prior year.

- **Evaluation:**

- **Expectations Exceeded:** The company projected a growth rate in the high teens to around 20%, but achieved a 25.8% revenue growth and a 19.8% profit before tax growth, surpassing their target.

3. Asset growth strategies

- **Narrative:** Management highlighted their historical growth trajectory, emphasizing a consistent pattern of doubling revenue approximately every four to five years. This reflects their focus on steady and sustainable asset growth over time.

- **Management's Guidance:**

- Management implicitly suggested that the company aims to maintain this growth trajectory, indicating an expectation of continued asset growth at a similar pace in future periods.

- **Actual Results:**

['Q4', '2024']:

- Data Not Available

['Q2', '2025']:

- Data Not Available

['Q3', '2024']:

- Advances growth sequentially of 4.9% and 2.9% sequential momentum in retail deposit growth. Gross advances are at INR 24.7 trillion as of 31st December, reflecting the sequential momentum of INR1.1 trillion or 4.9%. In the CRB business, it continued its strong momentum, registering a quarter-on-quarter growth of 6.7%.

['Q1', '2025']:

- Data Not Available

- **Evaluation:**

- **Expectations Met:** The management aimed for steady asset growth, and the actual results showed sequential growth in advances and retail deposits, aligning with management's expectations of maintaining their historical growth trajectory.

4. Retail loan growth

- **Narrative:** In the recent quarter, HDFC's management discussed the retail loan growth, highlighting their strategic approach to expand their loan portfolio. The focus was on increasing penetration with new customers, particularly through effective disbursals and cross-selling initiatives. This strategy aims to balance the disbursal between existing and new customers and enhance market penetration.

- **Management's Guidance:**

- The management indicated that in a specific month, approximately half of their first disbursals were to new customers, and of these new customers, around 65% were also engaged with a savings deposit. This suggests a targeted approach to deepen customer engagement and enhance the loan portfolio growth with

cross-selling opportunities.

- Actual Results:

['Q2', '2025']:

- Data Not Available

['Q3', '2024']:

- Srinivasan Vaidyanathan [On the first disbursements that have happened in the month -- in December, roughly half-half is, existing to bank and new to bank, half-half of that.]

['Q1', '2025']:

- Data Not Available

['Q4', '2024']:

- Disbursement momentum improving across all three business segments with overall healthy growth of 24% YoY

- Evaluation:

- Expectations Met: The management's guidance of achieving balanced disbursements between existing and new customers was realized, as approximately half of the disbursements were to new customers, aligning with their strategic focus on expanding the loan portfolio and enhancing market penetration.

5. Geographic expansion plans

- Narrative: Management has outlined a robust plan for geographic expansion, focusing on significantly increasing the number of branches. The goal is to enhance their footprint across key regions by adding up to 1,000 branches in the near term.

- Management's Guidance:

- Management is targeting the addition of 800 to 1,000 branches this fiscal year, with a longer-term objective of reaching between 13,000 to 14,000 branches. This expansion is anticipated to strengthen the company's market presence and accessibility.

- Actual Results:

['Q1', '2025']:

- 1 million customers and 45 branches added during Q1 FY25

['Q4', '2024']:

- 0.9 million customers and 64 branches added during Q4 FY24

['Q2', '2025']:

- We grew 240-odd branches in this quarter, 350 something for the year so far. Last year, we grew 917 branches.

['Q3', '2024']:

- Branch network, which stood at 8,091 outlets as of December end. Overall, there has been an increase of 908 branches over the last 12 months. During the quarter, we added 146 branches, which is at the rate of 1.6 branches per day. Our rural business reach expanded to ~210,000 villages, a growth of ~60,000 villages over last year. Suresh Ganapathy: "we have only opened 270 branches this year." Srinivasan Vaidyanathan: "there are a little more than 500, 550 branches in the pipeline as we closed the quarter." Srinivasan Vaidyanathan: "we are having about 500 plus in the pipeline, that's 570 more precise in the pipeline."

- Evaluation:

- Expectations Not Met: Management aimed to add 800 to 1,000 branches for the fiscal year, but only 350 branches were added by Q2 FY25, indicating the pace of expansion is behind the target.

6. Competitive positioning

- Narrative: Management highlighted the company's focus on maintaining a superior rate of growth compared to the market, emphasizing their strategy to capture incremental market share in the high teens to 20 percent range. This approach underlines their commitment to strengthening competitive positioning and expanding their market presence.

- Management's Guidance:

- Management expects to maintain an incremental market share between 18% and 20%, which indicates sustained growth and enhanced competitive positioning.

- Actual Results:

['Q2', '2025']:

- Data Not Available

['Q3', '2024']:

- Incremental market share of 18%-20% is garnered.

['Q4', '2024']:

- Data Not Available

['Q1', '2025']:

- Our incremental market share was around 12%.

- Evaluation:

- Expectations Not Met: Management expected an incremental market share between 18% and 20%, but actual results showed a market share of only 12% in Q1 2025, indicating that expectations were not met.

7. Cost-to-income ratio management

- Narrative: Management emphasized their commitment to improving the cost-to-income ratio progressively. The focus is on achieving a reduction to the mid-30s, indicating a strategic effort to enhance operational efficiency over time.

- Management's Guidance:

- Management expressed their objective to decrease the cost-to-income ratio to the mid-30s progressively, suggesting an expectation of improvement not just in the long term but also in the near future.

- Actual Results:

['Q4', '2024']:

- The actual cost-to-income ratio reported in Q4 2024 was 38.0% including transaction gains and staff ex-gratia provision. The core cost-to-income ratio stood at 41.3%.

['Q1', '2025']:

- The cost-to-income has been in the range of 40% to 41% with a decreasing bias.

['Q2', '2025']:

- Cost-to-income ratio reported at 40.6% in Q2, 2025, which is above the mid-30s target set by management.

['Q3', '2024']:

- Cost-to-income ratio for Q3 2024 was reported to be 40.3%, which is above the target mid-30s range stated in the management guidance.

- **Evaluation:**

- **Expectations Not Met: Despite management's guidance to reduce the cost-to-income ratio to the mid-30s progressively, the actual results remained above this target, with ratios in the range of 38% to 41% over the observed periods.**

8. Liquidity coverage ratio trends

- **Narrative:** The management of HDFC has outlined a strategy to maintain a stable and efficient liquidity coverage ratio (LCR), aiming to operate within a target range of 110% to 120%. This approach is part of their broader capital management framework to ensure a balance between deposit growth and loan operations.

- **Management's Guidance:**

- Management has expressed a forward-looking expectation to maintain the LCR between 110% and 120%. Additionally, they anticipate a progressive reduction in the loan-to-deposit ratio (LDR) over the coming quarters. This strategy is supported by a focus on ensuring deposit growth outpaces loan growth, especially in light of upcoming maturities that may need to be replaced with deposits.

- **Actual Results:**

['Q4', '2024']:

- Liquidity coverage ratio Pre-merger Post-merger 126% 121% 116% 115% 112% 110% Q4 Mar'22 Q4 Mar'23

['Q1', '2025']:

- Liquidity coverage ratio was reported as 115% in March 2024, which is within the target range set by management.

['Q2', '2025']:

- The liquidity coverage ratio (LCR) was reported at 128% for Q2, 2025, which is above the management's target range of 110% to 120%.

['Q3', '2024']:

- Suresh Ganapathy reported that the Liquidity Coverage Ratio (LCR) is at 110%, which is within the management's target range of 110% to 120%.

- **Evaluation:**

- **Expectations Met:** The Liquidity Coverage Ratio (LCR) mostly stayed within the management's target range of 110% to 120% across the evaluated quarters, aligning with management's guidance and ensuring stability as part of their capital management strategy.

9. Borrowings prepayment strategies

- **Narrative:** The management discussed their borrowings prepayment strategies with a focus on maintaining a stable maturity profile. They emphasized that there are no significant maturities expected in the near term, which suggests a deliberate approach to managing liabilities without immediate pressures.

- **Management's Guidance:**

- Management indicated that the maturity profile is set at 20,000 and 25,000, with no significant maturities anticipated over the next two to four quarters. This suggests a stable liquidity position and effective capital management strategy in place for the foreseeable future.

- **Actual Results:**

['Q2', '2025']:

- Data Not Available

['Q1', '2025']:

- Ravi Purohit: "there has been a significant drop in the borrowings, INR75,000 crores in the March quarter and about INR60,000-odd crores in the June quarter."

['Q3', '2024']:

- The borrowings have remained or actually gone up in this quarter by almost INR209 billion it has gone up, out of which about 7,500 is infra bonds.

['Q4', '2024']:

- Srinivasan Vaidyanathan [750, out of which INR29,000 crores is either commercial paper or term borrowings that came from HDFC Limited and the rundown.]

- **Evaluation:**

- **Expectations Not Met: The management aimed for a stable maturity profile with no significant maturities expected, but the actual results show a significant increase in borrowings in Q3 2024, contrary to the stable liquidity position suggested by the guidance.**

Q2 2024

1. Net interest margin trends

- **Narrative:** During the Q2 2024 earnings call, management provided insights on the expected trends for net interest margins. They emphasized maintaining a stable core margin, which is crucial for the overall financial performance of the company. This focus underscores the company's commitment to sustaining a healthy financial trajectory amidst changing market conditions.

- **Management's Guidance:**

- Management anticipates that the core margins on a total asset basis are expected to remain between 3.7% to 3.8%. This range reflects the company's strategic focus on ensuring consistent profitability and operational efficiency in the upcoming quarters.

- **Actual Results:**

['Q4', '2024']:

- Net interest margin (NIM) Post-merger 4.3%

['Q1', '2025']:

- The NIMs have been in the range of 3.4% to 3.5% with an increasing bias. Net interest margin of 3.47%

['Q2', '2024']:

- The core net interest margin for the quarter was at 3.65% on total assets and 3.85% on interest-earning assets. The reported net interest margin for the quarter was 3.4% on total assets and 3.6% on interest-earning assets.

['Q3', '2024']:

- The core net interest margin for Q3 2024 was at 3.4%, and on an interest-earning asset basis, the net interest margin for the quarter was at 3.6% and was flat to the prior quarter.

- **Evaluation:**

- **Expectations Not Met: Management anticipated net interest margins to remain between 3.7% to 3.8%, but the actual results for Q2, Q3, and Q1 2025 showed margins below this range, indicating that expectations were not met.**

2. Profitability analysis

- **Narrative:** Management has expressed confidence in maintaining stable profitability metrics, with a strategic focus on achieving consistent performance. They are optimistic about sustaining a return on assets (ROA) in the range of 1.9% to 2.1%, which aligns with past performance levels. Furthermore, there is an ambitious growth outlook for the merged entity, suggesting a robust growth rate exceeding 15%.

- Management's Guidance:

- The company aims to maintain profitability with an ROA between 1.9% and 2.1% moving forward. Management anticipates the merged entity to potentially achieve a growth rate above 15%, possibly reaching 17% to 18%. The expectation is for the remaining branches to reach breakeven within 22 to 24 months, with over 90% of branches already achieving this milestone within 20-21 months.

- Actual Results:

['Q4', '2024']:

- PAT ■ 165 bn; RoA of 1.96% and RoE of 15.4% in the current quarter

['Q1', '2025']:

- Return on assets (ROA) was reported at 1.9% for the quarter.

['Q2', '2024']:

- In Q2 FY24, HDFC reported a Return on Assets (RoA) of 2.0%, which is within the guided range of 1.9% to 2.1%. The net revenue for the quarter grew by 16% year-on-year, and the net profit after tax for the quarter increased by 50% compared to the previous year, indicating strong revenue growth and financial performance.

['Q3', '2024']:

- Profit after tax for the quarter increased by 33.5% versus prior year, delivering a return on assets in the quarter of about 2% and return on equity of about 15.8%. Net revenues for the quarter were at INR396 billion, which grew by 25.8% over prior year.

- Evaluation:

- **Expectations Met:** The actual results consistently showed an ROA within the guided range of 1.9% to 2.1% across quarters, and the growth rate exceeded 15%, aligning with management's expectations.

3. Technology investment plans

- **Narrative:** The management highlighted its focus on enhancing digital capabilities by launching digital journeys aimed at bundling products. This strategic move is part of their broader digital transformation plan, indicating a concerted effort to improve customer engagement and streamline offerings through technology.

- Management's Guidance:

- The company is set to launch its digital journeys for bundling products within the current quarter, which is expected to significantly enhance its digital service offerings and customer experience.

- Actual Results:

['Q4', '2024']:

- Data Not Available

['Q3', '2024']:

- Around 94% of the active clients utilized the services offered through company's digital platforms.

['Q1', '2025']:

- Data Not Available

['Q2', '2024']:

- Around 94% of the active clients utilized the services offered through company's digital platforms.

- Evaluation:

- **Expectations Met:** The management's goal to enhance digital service offerings and customer experience through digital journeys seems to have been achieved, as approximately 94% of active clients utilized the company's digital platforms, aligning with their strategic objectives.

4. Geographic expansion plans

- **Narrative:** Management is focused on expanding the company's geographic footprint significantly. The strategic plan involves increasing rural outreach and adding a substantial number of branches to cater to a broader audience, ensuring long-term growth and market presence.

- Management's Guidance:

- The company aims to expand its rural business reach to over 2 lakh villages in the near term. Additionally, there is a plan to open 500 new branches in a single quarter, indicating a robust expansion strategy.

- Actual Results:

['Q1', '2025']:

- In Q1 FY25, management reported reaching 225,000 villages and added a total of 1 million customers along with 45 branches. Additionally, the distribution network included 275 branches and 497 digital offices.

['Q2', '2024']:

- The rural business reach expanded to 1.85 lakh villages, and there has been an increase of 1,446 branches over the last 12 months, including 85 branches in the quarter.

['Q4', '2024']:

- In Q4 FY24, management reported that they expanded their operations to 225,000 villages and added 64 branches during the quarter. This expansion aligns with their strategic focus on increasing their geographic footprint and rural outreach.

['Q3', '2024']:

- During Q3 FY24, the branch network expanded to 8,091 outlets, with an addition of 146 branches during the quarter, equating to a rate of 1.6 branches per day. The rural business reach grew to approximately 210,000 villages, marking an expansion of about 60,000 villages over the previous year.

- Evaluation:

- **Expectations Not Met:** The management aimed to expand its rural business reach to over 2 lakh villages and open 500 new branches in a single quarter. However, the actual results showed reaching 225,000 villages and adding only 45 branches in Q1 FY25, which fell short of the branch expansion target.

5. Liquidity coverage ratio trends

- **Narrative:** Management provided insights into their liquidity coverage ratio (LCR) strategy, highlighting a robust LCR average of 121% for the quarter. This strong LCR indicates effective liquidity and capital management, even while absorbing the impact of the Incremental Cash Reserve Ratio (ICRR).

- Management's Guidance:

- Management did not provide specific forward-looking statements or qualitative guidance regarding future liquidity coverage ratio trends for the upcoming quarters.

- Actual Results:

['Q4', '2024']:

- Data Not Available

['Q1', '2025']:

- Liquidity coverage ratio Post-merger 126% Jun'23 121% 110% 115% Sep'23 Dec'23 Mar'24 123% Jun'24

['Q2', '2024']:

- The LCR was at an average of 121% after absorbing the ICRR for most of the quarter.

['Q3', '2024']:

- LCR (Consolidated) reduced to 110% in Q3 2024.

- Evaluation:

- Insufficient Info: Data not available.

Q1 2024

1. Net interest margin trends

- **Narrative:** Management discussed the outlook for net interest margin trends, indicating a focus on maintaining a stable range to support future financial performance.

- Management's Guidance:

- Management expects the net interest margin to oscillate within the range of 1.9 to 2.1 percent in the upcoming periods.

- Actual Results:

['Q4', '2024']:

- Net interest margin (NIM) Post-merger 4.3%

['Q1', '2024']:

- The core net interest margin for Q1 2024 was reported at 4.1%.

['Q2', '2024']:

- Reported net interest margin for Q2 2024 was 3.4% on total assets and 3.6% on interest-earning assets.

['Q3', '2024']:

- Net interest margin (NIM) for Q3 2024 was reported at 3.4% and 3.6% on an interest earning asset basis, which is significantly above the management guidance range of 1.9% to 2.1%.

- Evaluation:

- **Expectations Exceeded:** The actual net interest margin significantly exceeded management's guidance range of 1.9% to 2.1%, with reported figures ranging from 3.4% to 4.3% across various quarters in 2024.

2. Profitability analysis

- **Narrative:** The management's discussion highlighted their strategic focus on achieving consistent growth over both short and long-term periods. They emphasized their operational levels and capacity building aimed at sustaining a growth trajectory of around 17% to 18% over a three to five-year horizon. The management is also working towards achieving a consistent growth pattern by leveraging their built capacities.

- Management's Guidance:

- Management indicated an expected growth rate of approximately 17% to 18% over a longer term of three to five years, with capacities built to achieve this consistency of growth. Additionally, they mentioned achieving break-even to payback within an 18 to 24 month timeframe for recent initiatives.

- Actual Results:

['Q4', '2024']:

- Data Not Available

['Q1', '2024']:

- Data Not Available

['Q3', '2024']:

- Data Not Available

['Q2', '2024']:

- Profit after tax for the quarter at INR15,976 crores increased by 50% versus prior year.

- Evaluation:

- Insufficient Info: Data not available.

3. Asset growth strategies

- **Narrative:** The management highlighted their confidence in achieving substantial growth through strategic initiatives. They emphasized the robustness of the foundational strategies laid out to support this growth trajectory.

- Management's Guidance:

- Management expressed confidence in the effectiveness of the growth strategies implemented, anticipating these to materialize into significant growth over the coming quarters.

- Actual Results:

['Q3', '2024']:

- Data Not Available

['Q2', '2024']:

- Data Not Available

['Q4', '2024']:

- Deposits increased ■ 1.66 tr in the quarter (↑7.5%)

['Q1', '2024']:

- Total advances increased by 15.7% to ■ 16,300 bn and deposits up by 19.2% to ■ 19,131 bn in Q1 2024.

- **Evaluation:**

- **Expectations Met:** Management anticipated significant growth from their strategies, and the actual results showed a substantial increase in both advances (15.7%) and deposits (19.2%) in Q1 2024, suggesting that the growth strategies effectively materialized.

4. Customer satisfaction metrics

- **Narrative:** Management emphasized the importance of seamless integration to improve customer engagement and experience. The discussion revolved around the strategic onboarding of 4 million customers with a portfolio exceeding INR 6 trillion, alongside integrating 4,150 skilled professionals to enhance expertise and culture.

- **Management's Guidance:**

- Management anticipates that this strategic integration will lead to a sustained and optimal execution in customer satisfaction metrics, focusing on customer engagement and experience improvements in future quarters.

- **Actual Results:**

['Q2', '2024']:

- Customer franchise grew to 13.6 million customers with 6.3% additions during the quarter.

['Q4', '2024']:

- Data Not Available

['Q1', '2024']:

- Data Not Available

['Q3', '2024']:

- Data Not Available

- **Evaluation:**

- Insufficient Info: Data not available.

5. Asset quality trends

- **Narrative:** The management emphasized their focus on maintaining a stable asset quality while managing the credit and loan portfolio. They are strategically assessing the current asset quality trends to ensure that the health of the loan book remains robust before making further expansions or adjustments.

- **Management's Guidance:**

- The management indicated that they will evaluate asset quality trends over the next two quarters to determine a stable level before considering further portfolio expansions.

- **Actual Results:**

['Q3', '2024']:

- Data Not Available

['Q2', '2024']:

- Data Not Available

['Q4', '2024']:

- Data Not Available

['Q1', '2024']:

- Gross stage 3 as of June end improved to 2.5% against 2.7% as of March '23, and 4.9% as of last year, June. Stage 3 Assets: 2.48%

- **Evaluation:**

- Insufficient Info: Data not available.

6. Geographic expansion plans

- **Narrative:** Management highlighted the significant expansion of their SME business footprint, indicating a strategic push to broaden their geographic reach within India.

- **Management's Guidance:**

- The company is on track to expand its reach to over 2 lakh villages, indicating a robust plan to enhance its presence in rural districts.

- **Actual Results:**

['Q2', '2024']:

- The rural business reach expanded to 1.85 lakh villages.

['Q4', '2024']:

- we expanded to 225,000 villages now where we operate.

['Q1', '2024']:

- Data Not Available

['Q3', '2024']:

- Our rural business reach expanded to ~210,000 villages, a growth of ~60,000 villages over last year.

- **Evaluation:**

- **Expectations Exceeded:** Management aimed to expand its reach to over 2 lakh villages, and by Q4 2024, the company had expanded to 225,000 villages, surpassing its initial target.

7. Liquidity coverage ratio trends

- **Narrative:** Management highlighted the improvement in the bank's liquidity coverage ratio (LCR) from the previous quarter, indicating a strong liquidity position. The LCR increased from 116% to 126% on a standalone basis, and over 120% on a pro-forma combined basis after adjusting for statutory requirements such as the Cash Reserve Ratio (CRR).

- **Management's Guidance:**

- Management anticipates that it will take approximately three to four years for the LCR to decrease to levels historically maintained by the bank.

- **Actual Results:**

['Q4', '2024']:

- Data Not Available

['Q1', '2024']:

- LCR for the quarter for the bank was at 126%, prior quarter was 116% and prior year was 108%. The bank standalone LCR is 126% on a combined basis, which was 116% last quarter, 126% now, on a combined basis, Pro-forma combined, a little more than 120% after accounting for what is required for CRR and so on.

['Q2', '2024']:

- The Liquidity Coverage Ratio (LCR) for Q2 2024 was reported at an average of 121% after absorbing the ICRR for most of the quarter.

['Q3', '2024']:

- Data Not Available

- Evaluation:

- Expectations Met: The management anticipated a stable or slight decrease in the LCR over several years, and the actual results show the LCR remained robust at 126% in Q1 2024 and averaged 121% in Q2 2024, aligning with management's guidance of maintaining a strong liquidity position.

Q4 2023

1. Profitability analysis

- Narrative: During the Q4 2023 earnings call, the management highlighted their focus on maintaining a stable return on assets (ROA). The company aims to continue operating within a specific range, which demonstrates their commitment to efficiency and effective asset utilization. This guidance underscores the management's strategy to enhance financial stability and long-term growth prospects.

- Management's Guidance:

- Management indicated that they intend to operate within a return on asset range of 1.9 to 2.1 going forward.

- Actual Results:

['Q1', '2024']:

- The actual Return on Assets (ROA) for Q1 2024 was reported as 2.1%, which is within the management's guidance range of 1.9 to 2.1.

['Q3', '2024']:

- Profit after tax for the quarter increased by 33.5% versus prior year, delivering a return on assets in the quarter of about 2% and return on equity of about 15.8%.

['Q4', '2023']:

- Return on Assets for Q4 FY23 was reported at 2.2%, which is above the guidance range of 1.9 to 2.1. This demonstrates better-than-expected asset utilization and profitability for the quarter.

['Q2', '2024']:

- Return on Assets (ROA) was reported at 2.0% for Q2 FY24, which is within the management guidance range of 1.9 to 2.1. The net profit after tax for the quarter was INR 15,976 crores, representing a growth of 50% over the prior year.

- Evaluation:

- Expectations Met: The actual Return on Assets (ROA) for Q1, Q2, and Q3 of 2024 was within the management's guidance range of 1.9 to 2.1, indicating that the company's performance aligned with the management's stated goals.

2. Asset growth strategies

- Narrative: The management at HDFC has conveyed a comprehensive strategy for asset growth, centered around expanding their customer base significantly and increasing their physical presence through branch expansion. They have set ambitious targets for customer acquisition in the current year and plan to leverage these new customers to drive growth. Additionally, the management has highlighted the importance of strategic branch expansion, which is expected to play a crucial role in supporting revenue growth in the coming quarters.

- Management's Guidance:

- The management plans to onboard 2.6 million new customers in the current quarter, contributing to a total of over 10.5 million new customers this year. Over the next four to five quarters, they aim to integrate around 2,000 new branches, which they anticipate will take approximately 18 to 24 months to start contributing to revenue, thereby offsetting the initial costs.

- Actual Results:

['Q3', '2024']:

- Data Not Available

['Q4', '2023']:

- Data Not Available

['Q2', '2024']:

- Data Not Available

['Q1', '2024']:

- Data Not Available

- Evaluation:

- Insufficient Info: Data not available.

3. Mobile banking enhancements

- Narrative: Management highlighted the significant growth and adoption of their Vyapar app, which is part of their mobile banking enhancement strategy. They emphasized the strong year-on-year growth, showcasing the app's increasing popularity and its role in the bank's digital transformation initiatives.

- Management's Guidance:

- Management noted a 30% year-on-year growth in payment acceptance points, driven by the momentum of the Vyapar app. This indicates an expectation of continued growth and enhancement in their mobile banking services, contributing positively to the bank's digital transformation strategy in future quarters.

- Actual Results:

['Q1', '2024']:

- Data Not Available

['Q3', '2024']:

- Data Not Available

['Q4', '2023']:

- SmartHub Vyapar has garnered tremendous growth with three-fold increase in active users and more than three-fold in merchant transactions value.

['Q2', '2024']:

- SmartHub Vyapar platform handles monthly transactions of INR19,000 crores and provides monthly disbursements of INR650 crores.

- Evaluation:

- Expectations Exceeded: The Vyapar app, part of HDFC's mobile banking enhancement strategy, achieved a three-fold increase in active users and merchant transaction value, significantly surpassing management's 30% year-on-year growth expectation.

4. Asset quality trends

- Narrative: Management highlighted the stability of the company's fixed rate book, which constitutes approximately 44-45% of the total portfolio. They emphasized that the current trends in the asset quality will persist for the foreseeable future.

- Management's Guidance:

- Management indicated that the fixed rate book, which runs for two to three years, has started contributing to the stability in asset quality and this trend is expected to continue for some time.

- Actual Results:

['Q3', '2024']:

- Data Not Available

['Q4', '2023']:

- Data Not Available

['Q2', '2024']:

- Data Not Available

['Q1', '2024']:

- Gross stage 3 as of June end improved to 2.5% against 2.7% as of March '23, and 4.9% as of last year, June.

- Evaluation:

- Insufficient Info: Data not available.

5. Geographic expansion plans

- Narrative: Management has emphasized a strong focus on expanding the company's geographic footprint through significant branch additions and the strategic enhancement of wealth management services. This expansion is part of a broader strategy to increase market presence and improve service accessibility across key regions.

- Management's Guidance:

- The company has added 638 branches in the recent quarter, culminating in a total addition of 1,479 branches for the financial year '23. Management intends to maintain this pace of expansion for branch additions in FY'24, aligning with the growth trajectory observed over the last 15 to 18 months. Wealth management services have expanded to over 923 locations using a hub and spoke model, with 232 new locations added in the quarter, underscoring a continued commitment to broadening service availability.

- Actual Results:

['Q1', '2024']:

- On the distribution, while we added 39 branches in the quarter, we added 1,482 branches over the last 12 months, which now stands at 7,860 branches.

['Q2', '2024']:

- Overall, there has been an increase of 1,446 branches over the last 12 months, including 85 branches in the quarter.

['Q3', '2024']:

- During Q3 FY24, 146 branches were added, and the total branch network reached 8,091 outlets by December end, marking an increase of 908 branches over the last 12 months.

['Q4', '2023']:

- We added 638 branches during the quarter taking the total branch addition in financial year '23 to 1,479. Wealth management is offered in over 923 locations through hub and spoke model. We have expanded by 232 locations in the quarter.

- Evaluation:

- Expectations Met: The company met its target by adding 1,482 branches over the past year, aligning with management's guidance to maintain the branch expansion pace observed in FY'23.

6. Cost-to-income ratio management

- Narrative: The management has articulated a strategic focus on managing the cost-to-income ratio by maintaining it within a range of 42 while striving to reduce it progressively over the coming quarters. This reflects their commitment to enhancing operational efficiency and managing costs effectively.

- Management's Guidance:

- Management anticipates that the cost-to-income ratio will initially remain around 42 and then gradually decrease to the mid-30s over a period of four to six quarters as productivity improvements take effect.

- Actual Results:

['Q2', '2024']:

- Cost-to-income ratio reported at 40.4% for Q2 2024, indicating a slight reduction from the initial target range of 42%.

['Q3', '2024']:

- Cost-to-income ratio for Q3 2024 was reported at 40.3%, reflecting a slight improvement compared to the initial guidance range of 42.

['Q4', '2023']:

- Cost-to-income ratio for Q4 FY23 was reported at 42%, aligning with the initial management guidance.

['Q1', '2024']:

- Cost to income ratio for the quarter was at 42.8%.

- Evaluation:

- Expectations Exceeded: The actual cost-to-income ratio consistently improved from 42.8% in Q1 2024 to 40.3% by Q3 2024, surpassing the management's initial guidance of maintaining around 42% and progressively decreasing, indicating faster-than-expected operational efficiency improvements.

7. Capital adequacy requirements

- Narrative: The management outlined their focus on maintaining strong capital adequacy levels in alignment with regulatory requirements. They emphasized the importance of prudent capital management to support future growth and strategic initiatives.

- Management's Guidance:

- Management did not provide specific forward-looking quantitative guidance related to capital adequacy requirements for future quarters. Instead, they reiterated

their commitment to ensuring robust capital buffers that align with regulatory norms and support the company's growth trajectory.

- Actual Results:

['Q1', '2024']:

- Capital adequacy ratio is at 18.9% and CET1 is at 16.2%.

['Q2', '2024']:

- Capital adequacy ratio is at 19.5%, with CET1 at 17.3%.

['Q3', '2024']:

- Capital adequacy ratio was at 18.4%, Tier 1 ratio at 16.8%.

['Q4', '2023']:

- Capital adequacy ratio is at 19.3% with CET1 ratio at 16.4%.

- Evaluation:

- Expectations Met: The management emphasized maintaining robust capital adequacy levels, and the results consistently show strong capital adequacy ratios (ranging from 18.4% to 19.5%) and CET1 ratios (ranging from 16.2% to 17.3%), aligning with their stated commitment to regulatory norms and growth support.

8. Dividend distribution policy

- Narrative: The management highlighted the bank's commitment to its dividend distribution policy, emphasizing consistency and shareholder value. The recommendation of a dividend reflects the company's focus on maintaining a stable capital return strategy while ensuring adequate liquidity for future growth opportunities.

- Management's Guidance:

- The bank's board has recommended a dividend of INR19 per equity share, contingent upon shareholder approval.

- Actual Results:

['Q2', '2024']:

- Data Not Available

['Q3', '2024']:

- Data Not Available

['Q4', '2023']:

- The bank's board has recommended a dividend of INR19 per equity share subject to shareholders approval.

['Q1', '2024']:

- Data Not Available

- Evaluation:

- Expectations Met: The management's guidance of recommending a dividend of INR19 per equity share was consistent with the actual result, as the board recommended the same, aligning with their stated commitment to dividend distribution policy.

9. Borrowings prepayment strategies

- Narrative: In the context of Liquidity and Capital Management, specifically focusing on Borrowings prepayment strategies, management outlined a long-term approach to enhance financial stability. The strategy involves gradually replacing borrowings with deposits over an extended period, aiming to strengthen the company's liquidity position.

- Management's Guidance:

- Management anticipates achieving a more favorable liquidity position by replacing borrowings with deposits over the next three to five years.

- Actual Results:

['Q1', '2024']:

- Data Not Available

['Q3', '2024']:

- The borrowings have remained or actually gone up in this quarter by almost INR209 billion it has gone up, out of which about 7,500 is infra bonds.

['Q4', '2023']:

- Data Not Available

['Q2', '2024']:

- Data Not Available

- Evaluation:

- Expectations Not Met: The management's strategy to replace borrowings with deposits to enhance liquidity was not met, as the borrowings increased by INR 209 billion in Q3 2024, showing a move opposite to the intended strategy.

10. Employee motivation and retention

- Narrative: Management emphasized the importance of elevating the maturity and productivity levels of their workforce. Throughout the year, they have significantly expanded their team by adding 31,000 employees, with 6,600 of those joining in the last quarter. The focus is on enhancing these new hires' capabilities to ensure they contribute effectively to the company's objectives.

- Management's Guidance:

- Management aims to advance the maturity and productivity of their newly added staff to drive better performance and integration into the company's operational framework in upcoming quarters.

- Actual Results:

['Q1', '2024']:

- In Q1 2024, management reported that they added 29,000 people over the last 12 months and 8,500 people during the quarter, which reflects a focus on workforce expansion and engagement.

['Q3', '2024']:

- We have added ~41,000 employees over the last 12 months and ~10,000 during the quarter.

['Q4', '2023']:

- We have added 31,600 people over the year and 6,300 during the quarter.

['Q2', '2024']:

- We've added 16,000 people during the quarter.

- Evaluation:

- **Expectations Exceeded:** The actual results show a consistent and significant increase in workforce numbers beyond the initial stated figures, with management adding a total of ~41,000 employees over 12 months, which surpasses the initial target and reflects strong progress in workforce productivity and engagement.