

[HDFC Bank](#) Ltd, the world's most expensive major lender, is considering relying entirely on the Indian [market](#) for a share sale that could raise as much as Rs 155 billion (\$2.3 billion), people with knowledge of the matter said.

The Mumbai-based bank is weighing seeking all the capital through a [qualified institutional placement](#) in India, rather than its usual practice of splitting the fundraising between an offering of local stock and a sale of American depositary receipts, according to the people. [HDFC Bank](#) aims to start taking investor orders within the next couple of weeks, the people said, asking not to be identified because the information is private.

[HDFC Bank](#) is focusing on an offering in India because it hasn't finished preparing its latest financial statements under [US](#) accounting standards, which it would need for an ADR sale, according to the people.

It wants to proceed with the fundraising soon in order to take advantage of the current [market](#) sentiment, the people said. India's benchmark stock index has posted four straight weeks of gains, the longest stretch since April, amid optimism that economic growth will be boosted by good monsoon rainfall.

Middle Class

The planned share sale would rank as one of the biggest-ever Indian equity offerings in local-currency terms, data compiled by Bloomberg show. HDFC Bank, helmed by Chief Executive Officer Aditya Puri, has consistently maintained a low bad-loan ratio by limiting its exposure to heavily indebted Indian companies and lending to the country's growing middle class.

HDFC Bank said in December its board had approved a potential equity offering of as much as Rs 240 billion, with its parent company Housing Development [Finance](#) Corp. planning to invest Rs 85 billion. It will use the money to boost its capital buffers and support its growth plans for several years, Deputy Managing Director Paresh Sukthankar said last week.

The lender is still waiting on some regulatory approvals before launching the share sale, the people said. The timeline could slip, and details of the offering may still change, according to the people.

A representative for HDFC Bank said he couldn't immediately comment.

HDFC Bank appointed arrangers including Bank of America Corp., Morgan Stanley and Credit Suisse Group AG for the offering, Bloomberg News reported in March. It also appointed JPMorgan Chase & Co., Edelweiss Financial Services Ltd., IIFL Holdings Ltd. and JM Financial Ltd., people with knowledge of the matter said at the time.

The lender has the biggest weighting in the benchmark S&P BSE Sensex. HDFC Bank trades in Mumbai at about 4.8 times book value, making it the most expensive among lenders across the globe with at least \$50 billion in [market](#) value, data compiled by Bloomberg show.