

HDFC Bank Delivers Triple Delight to Investors with Bonus, Dividend, and Robust Profits



HDFC Bank, India's largest private sector lender, delivered a significant boost to its shareholders on Saturday, July 19, 2025, announcing a first-ever bonus share issue, a special interim dividend, and reporting strong financial results for the quarter ended June 30, 2025. This triple announcement underscores the bank's robust performance and its commitment to rewarding investor confidence.

The bank's board approved the issuance of bonus shares in a 1:1 ratio, meaning shareholders will receive one additional fully paid-up equity share for every share they currently hold. The record date for this historic bonus issue has been set for Wednesday, August 27, 2025. This move is generally perceived as a sign of a company's healthy reserves and positive outlook for future earnings, while also enhancing share liquidity and making the stock more accessible to a broader base of retail investors.

In addition to the bonus shares, HDFC Bank also declared a special interim dividend of ₹5 per equity share for the financial year 2025-26. This translates to a substantial 500% payout on the face value of ₹1 per share. The record date for this special dividend is Friday, July 25, 2025, with eligible shareholders receiving the payout on Monday, August 11, 2025.

These announcements coincide with a strong financial performance for the first quarter of the fiscal year 2025-26. HDFC Bank reported a standalone net profit of ₹18,155 crore for the quarter, marking a 12% year-on-year increase from ₹16,175 crore in the corresponding period last year. This performance largely exceeded analyst expectations, despite a notable increase in provisions. The bank's total interest income for the quarter also saw a healthy rise of 6% year-on-year, reaching ₹77,470 crore.

While the bank's Net Interest Margin (NIM) saw a slight narrowing to 3.35% from 3.46% in the previous quarter, reflecting the dynamic interest rate environment, HDFC Bank's overall balance sheet demonstrated solid growth. Total balance sheet size expanded to ₹39,54,100 crore as of June 30, 2025, a significant increase from ₹35,67,200 crore a year prior. Average deposits grew by 16.4% year-on-year, reaching ₹26,57,600 crore, while gross advances increased by 6.7% to ₹26,53,200 crore.

The bank's asset quality remained largely stable, with Gross Non-Performing Assets (GNPA) at 1.40% of gross advances. The combined effect of strong profit growth, strategic capital distribution through bonus shares, and a generous dividend payout positions HDFC Bank favorably in the eyes of investors, signaling confidence in its continued growth trajectory and robust financial health.