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INDIA'S HOME LOAN SUPERCYCLE: DRIVING AN INEVITABLE INVESTMENT OPPORTUNITY

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₹150TRILLION POTENTIAL DISBURSEMENTS BY 2035

Table of Contents

India's Home Loan Supercycle: Driving an Inevitable Investment Opportunity

₹150Trillion Potential Disbursements by 2035

GROWTH VECTOR: HOUSING FINANCE

- Poised for sustained expansion backed by strong demographic trends, rapid urbanization, and policy initiatives
- 40 Mn Mortgages demand over the next 10 years
- Cumulative disbursement opportunity of ₹150 trillion by 2035.

Structural Demand Drivers Set the Stage for Expansion in India's Mortgage Market

The Indian housing finance sector is primed for sustained expansion, supported by strong demographic trends, rapid urbanization, and government programs aimed at boosting homeownership and affordability. With banks holding nearly 82% of the market, housing credit continues to grow faster than most other loan categories, underscoring its resilience and long-term attractiveness.

Growth momentum will be further driven by an expanding middle-income population, rising aspirations for homeownership, and deeper retail credit penetration. Urban housing demand is set to accelerate as more households seek formal housing solutions, supported by affordable housing incentives. We project a ₹150 trillion disbursement opportunity over the next decade, funding approximately 40 million mortgages as demand broadens across cities and emerging urban clusters.

Backed by favourable policies and strong structural tailwinds, the housing finance sector remains one of the most compelling long-term growth opportunities in India's financial services landscape. Its scale, stability, and demand visibility make it a strategic focus for investors, developers, and financial institutions alike.

Housing Finance: A cornerstone of economic development

The housing finance sector is a cornerstone of economic development and a critical enabler of homeownership, urbanization, and infrastructure growth with outstanding mortgages currently at 11% of GDP. As India continues to evolve and modernize, access to housing finance has become more essential than ever, not only for low-income and middle-class families but also for higher-income segments seeking to invest in real estate. The sector has witnessed significant growth, driven by favourable government policies, innovative financial products, and increasing demand for both residential and commercial properties. With rising urbanization and a growing need for diverse housing solutions, the housing finance industry is poised to play a pivotal role in shaping the country's future, contributing to economic stability, social inclusion, and overall prosperity. This report delves into the current landscape of housing finance, exploring key trends, and opportunities in the sector.

Who holds the keys: Market mix

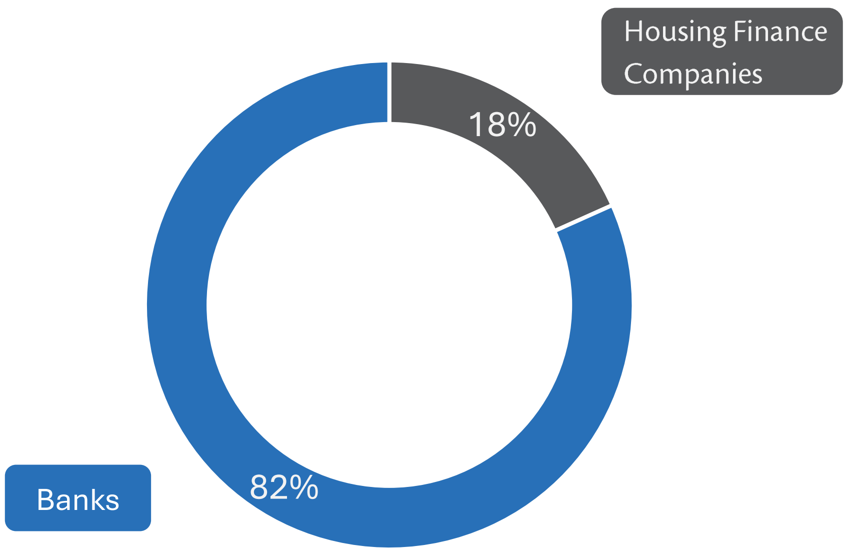


Exhibit 1: Outstanding Home loans market share

Source: NHB data, OmniScience Insights Labs

Banks dominate the housing finance market, accounting for 82% of the total share, while housing finance companies contribute only 18%.

This dominance indicates that banks remain the primary source of housing credit in India, driven by their extensive branch networks, lower cost of funds, and ability to offer competitive interest rates. Although housing finance companies play a significant role in catering to niche and underserved segments, their market share remains relatively smaller compared to banks.

Comparing Bank Credit growth: Housing vs Excl. - Housing

Building on the earlier observation that India's housing finance market is primarily dominated by banks, we further analysed the growth trends of housing loans outstanding in comparison to total loans outstanding excluding housing loans, using the past ten years of data from the Reserve Bank of India (RBI), indexing the values to 100 for the base year FY2015

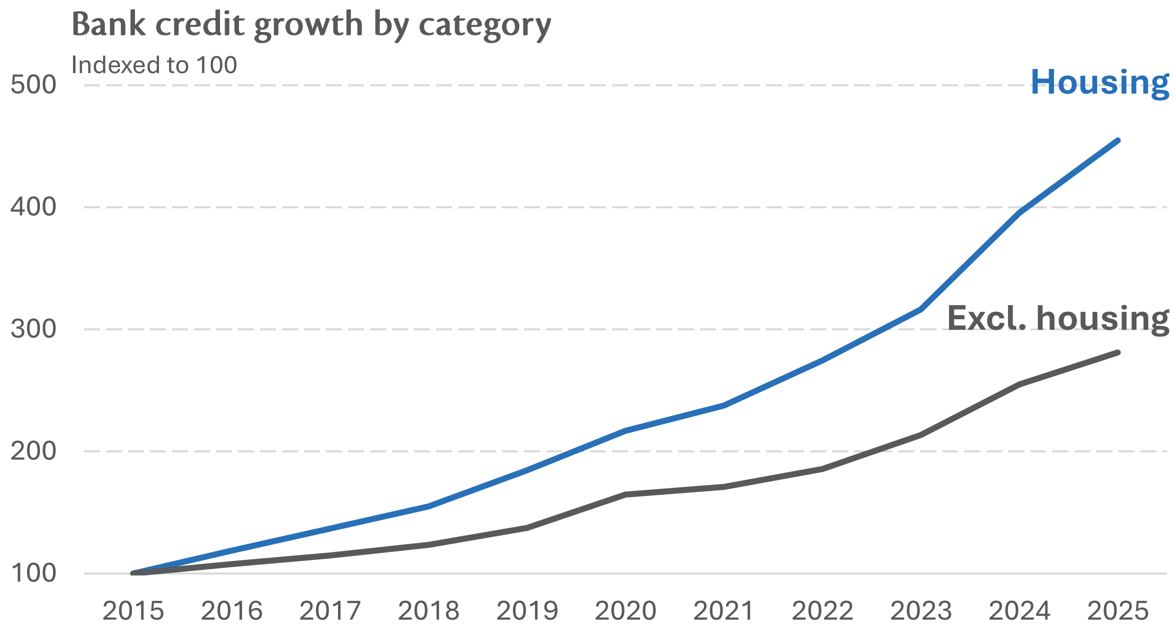


Exhibit 2: Bank Credit growth by Category – Indexed to 100
Source: RBI data, OmniScience Insights Labs

The analysis shows that housing loans have expanded much faster than other segments of bank credit. Between FY2015 and FY2025, housing loans rose approximately 4.5 times, registering a 10-year CAGR of 16%, compared to 2.8 times for non-housing loans with a 10-year CAGR of 10.8% - a difference of 1.6 times. This sharp divergence underscores the increasing significance of housing finance in bank's overall credit portfolios, driven by sustained sectoral demand and a strong consumer preference for home ownership.

This outgrowth of housing loans over other credit segments has led to an increase in the share of home loans within the total bank loan portfolio - from about 10% in FY2015 to about 16% in FY2025. This trend underscores the rising importance of home loans in banks' lending strategies and its growing contribution to overall credit growth in the economy.

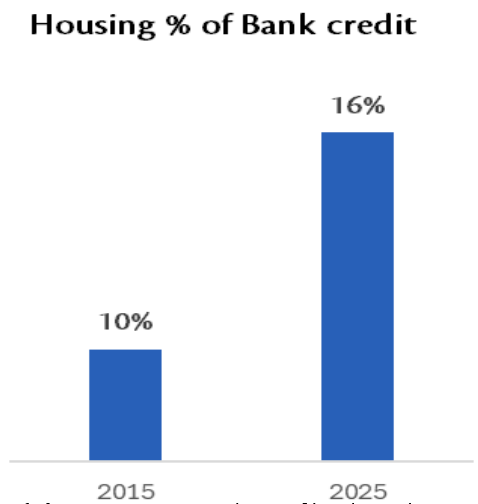


Exhibit 3: Housing credit % of bank credit
Source: RBI data, OmniScience Insights Labs

The Dynamics of Housing Finance: Volumes vs Value

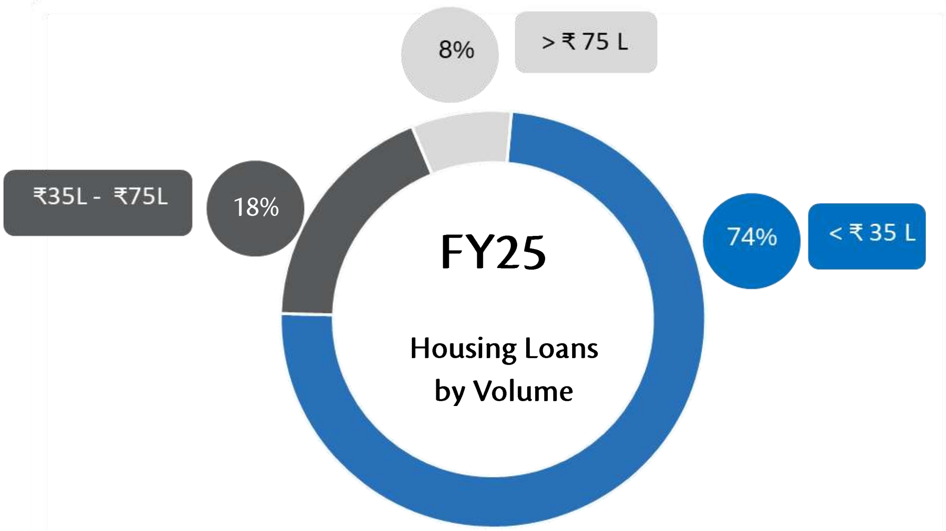


Exhibit 4: Distribution of Housing loans Originations share by Volume, (**Source:** CRIF High Mark)

In FY25, the housing finance market continues to be dominated by smaller-ticket loans. Loans below ₹35 lakh account for 74% of the total housing loan volume, reflecting the strong demand for affordable housing. The ₹35–₹75 lakh segment contributes 18%, indicating moderate participation from mid-income borrowers. Loans above ₹75 lakh form only 8% of the total, despite growth in recent years represents a relatively smaller share of high-value housing finance volume

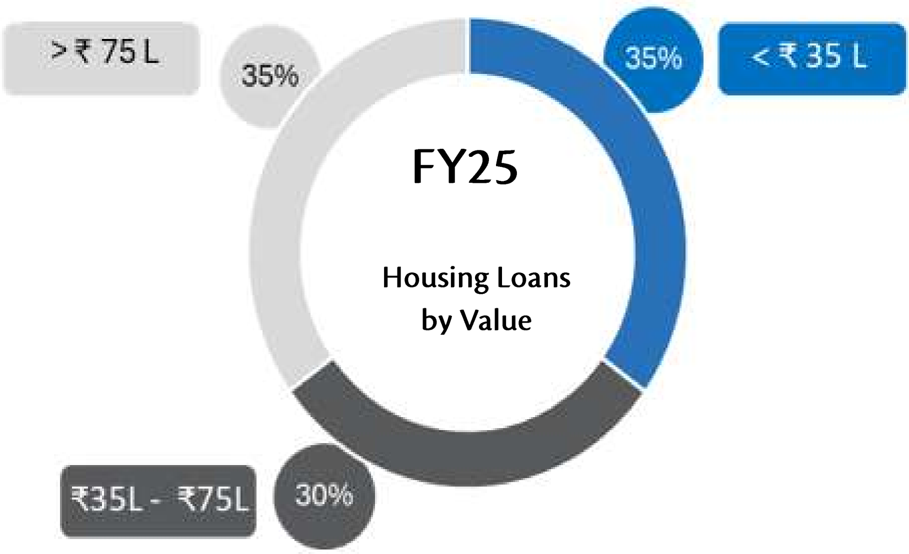


Exhibit 5: Distribution of Housing loans Originations share by Value
Source: CRIF High Mark, OmniScience Insights Labs

Smaller home loans (below ₹35 lakh) constitute most of the loan volumes, largely driven by first-time homebuyers. However, higher-value loan segments remain equally important because of their higher average selling prices, which give them substantial weight in value terms. As India's GDP per capita continues to rise, demand is expected to increase across all segments, both to support first-home purchases and to meet aspirations for improved living standards.

Analysing the rising housing prices

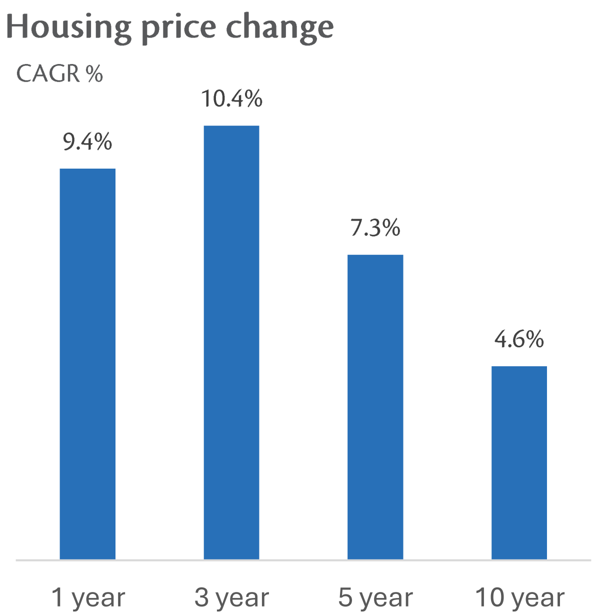


Exhibit 6: CAGR change in housing prices of top 50 cities
Source: NHB RESIDEX, OmniScience Insights Labs

According to RESIDEX data from the National Housing Bank, housing prices across the top 50 cities have surged in recent years, recording a strong 3-year CAGR of about 10.4%, largely driven by sharp increases in construction costs.

Now, the momentum appears to be ending as construction input costs begin to soften, with recent industry indices showing an average decline of around 5% in key materials such as steel, cement, and logistics.

Trends in Income Tax Filing and Retail Credit Consumption

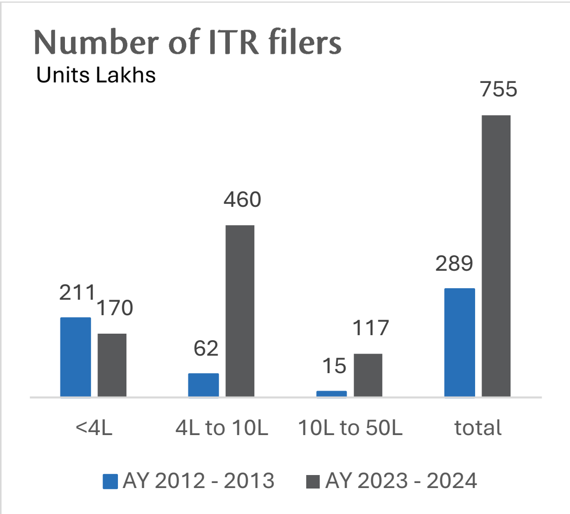


Exhibit 7: Trends in Income tax filer by income

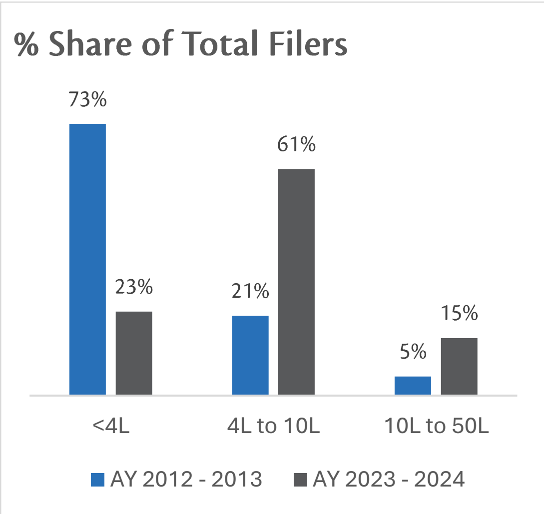


Exhibit 8: ITR filers by income group % of total filers

Exhibit 7,8 Source: Income Tax statistics, OmniScience Insights

Income tax filings have surged over the past decade, led by the ₹4–10 lakh group, which grew from 62 lakhs to 4.60 crore, while the ₹10–50 lakh bracket rose from 15 lakhs to 1.17 crore. Overall filers increased from 2.89 crore to 7.55 crore, reflecting strong expansion of the middle-income base. Going forward, tax filers are expected to keep growing, with potential mortgage values of ₹25 lakh in the ₹4–10 lakh segment and ₹75 lakh in the ₹10–50 lakh segment.

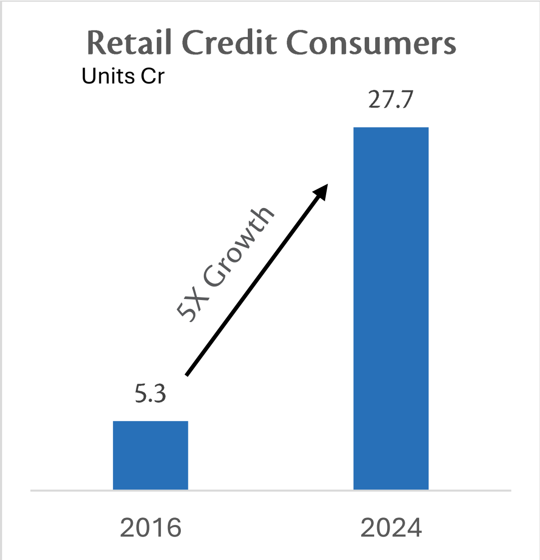


Exhibit 9: Trends in retail credit users

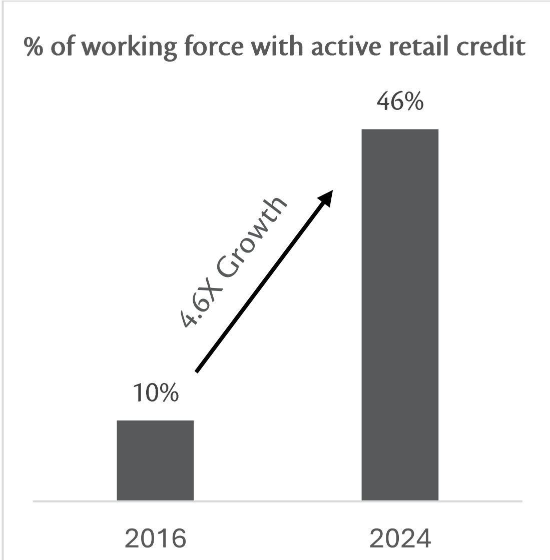


Exhibit 10: Retail credit usage % of working force

Exhibit 9,10 Source: TransUnion CIBIL, PIB, World Bank data, OmniScience Insights Labs

Retail credit penetration has grown sharply, with the number of retail credit consumers rising from about 5.3 crores in 2016 to ~28 crores in 2024 now covering roughly 46% of the working population. This means a large share of the labour force has an established credit history, and as incomes continue to grow, these users are likely to graduate to higher-value retail loans such as home loans.

Government policies

1. PMAY-2 (Pradhan Mantri Awas Yojana – 2.0)

Launched in 2024, PMAY-2.0 with the aim to facilitate the financing of 30 million houses by 2029. It offers financial assistance and interest subsidies to first-time homebuyers from urban households earning below ₹9 lakh per annum and rural households below the poverty line. The initiative also encompasses components for slum rehabilitation and affordable rental housing.

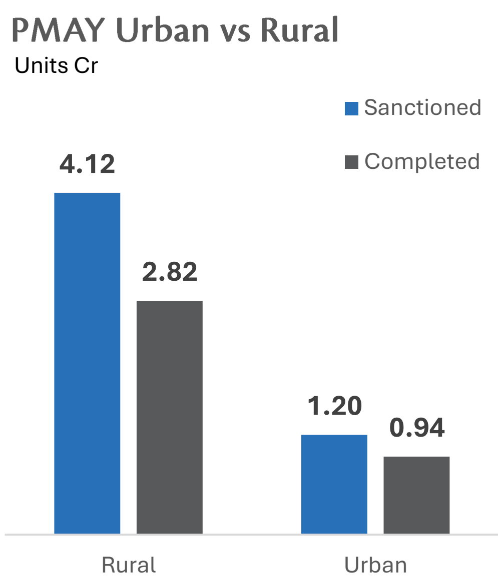


Exhibit 11: Units sanctioned and completed under PMAY
Source: PIB, PMAY, OmniScience Insights Labs

2. SWAMIH Fund – Tranche 2

The government has announced ₹15,000 crore for SWAMIH 2 (Special Window for Affordable and Mid-Income Housing) to facilitate the completion of 100,000 distressed housing units across stalled projects. This builds on the success of the initial tranche, under which approximately 50,000 homes have already been completed and handed over.

3. Urban Challenge Fund

A bold initiative unveiled in the Union Budget 2025, the Urban Challenge Fund is pegged at ₹1 lakh crore, with ₹10,000 crore allocated for FY 2025–26. The fund is structured to catalyse urban transformation in three domains:

- Developing cities as growth hubs
- Creative redevelopment/urban regeneration
- Enhancing water supply and sanitation

Under the model, the government finances up to 25% of the cost of viable projects, with at least 50% of the funding required from bonds, bank loans, or PPPs.

4. Tax Incentives

Recent tax reforms are expected to enhance affordability and boost demand:

- Annual tax-exempt income limit raised to ₹12 lakh, under the new tax regime
- TDS threshold on rent increased from ₹2.4 lakh to ₹6 lakh
- Home loan interest deduction raised from ₹2 lakh to ₹3 lakh annually, under the old regime

These changes are poised to increase disposable income and streamline compliance for homebuyers.

5. RERA (Real Estate Regulation and Development Act)

The implementation of RERA has significantly improved transparency and accountability in the real estate sector. It provides strong safeguards for homebuyers by curbing malpractices such as fund misuse, delayed project delivery, and substandard construction thereby enhancing trust in the housing market.

Long term growth drivers

Demographics

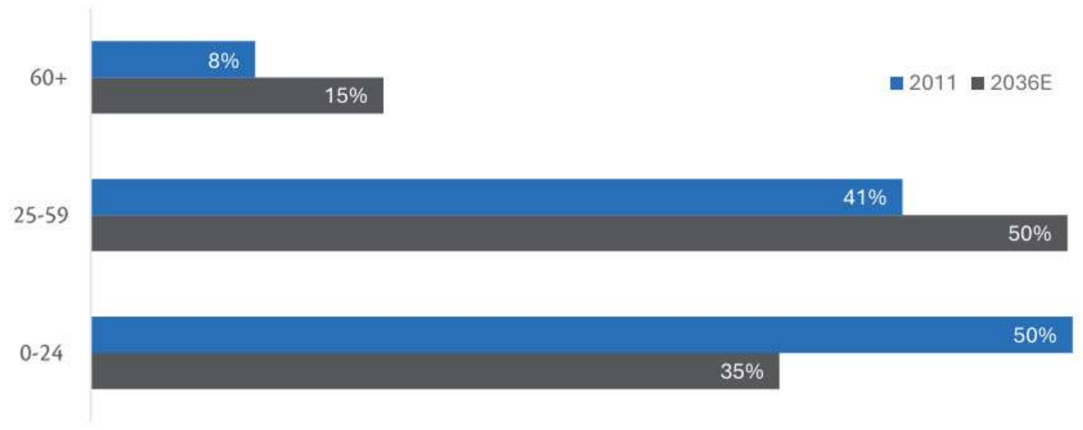


Exhibit 12: India population trends estimate by age group
Source: Gov technical group of Population Projection report, OmniScience Insights Labs

India, now the world's most populous country with an estimated population of 1.46 billion in 2025, also remains one of the youngest major economies, with a median age of around 28 years. This youthful demographic profile is expected to continue shaping economic and social trends well into the future. By 2036, India's population is projected to reach approximately 1.52 billion, with the working-age population set to grow steadily until the middle of the century. This demographic momentum is likely to contribute positively to per capita economic growth over the long term.

Nuclearization of families

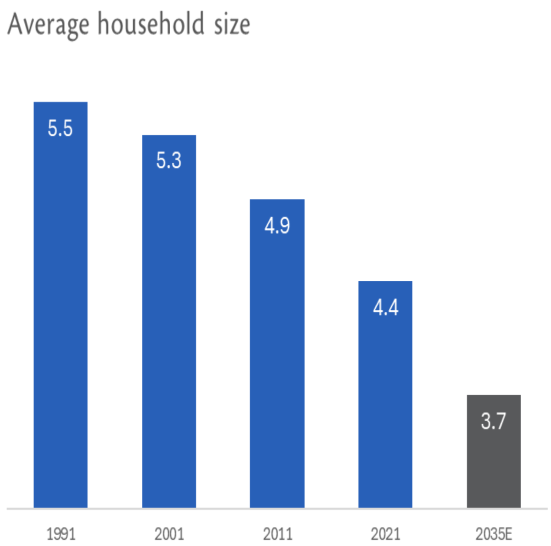


Exhibit 13: Number of people per household in India
Source: Census, OmniScience Insights Labs

India has been witnessing a shift toward the nuclearization of families, moving away from the traditional joint family system. This trend, seen globally, is driven by rising incomes, urbanization, and changing social values. As people move to cities for better opportunities, limited space and a desire for independence encourage smaller family units. Growing education levels and women's employment have further supported this shift.

As a result, India's average household size, currently about 4.4 persons, is expected to decline to about 3.7 by 2035, reflecting broader social transformation.

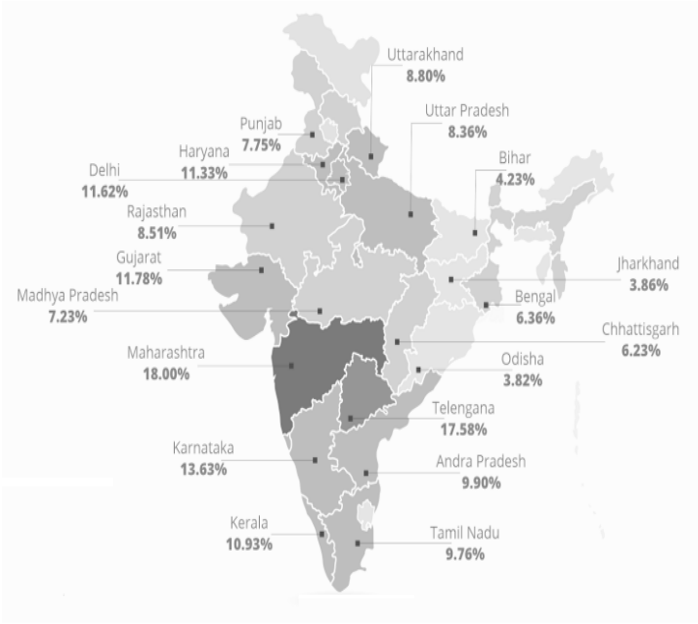


Exhibit 14: India Home loan to GSDP
Source: HFC investor presentation, NHB, MOSPI, OmniScience Insights Labs

Mortgage penetration

Within India, there exists a marked regional disparity in mortgage adoption, as illustrated by the chart. Southern and western states tend to exhibit higher mortgage penetration, supported by stronger urbanization, greater financial inclusion, and more active real estate markets. In contrast, northern, eastern, and central regions show comparatively lower penetration levels, reflecting the uneven spread of credit access and housing finance infrastructure across the country.

Rising per capita GDP

India has officially emerged as the world's fourth-largest economy, with its nominal GDP crossing the $4 trillion mark in 2025, overtaking Japan. Looking ahead, India is projected to surpass $10 trillion in GDP by FY35, reinforcing its position as the fastest-growing major economy globally. This growth is being propelled by sustained investments in infrastructure, along with robust expansion in the industrial and services sectors.

India's current GDP per capita stands at around $2,900, placing it at a critical inflection point where per capita income levels begin to drive a sharp rise in discretionary consumption. As economic growth continues and income levels rise, this trend is expected to significantly boost domestic demand across key sectors, including housing, retail, and financial services over the next decade.

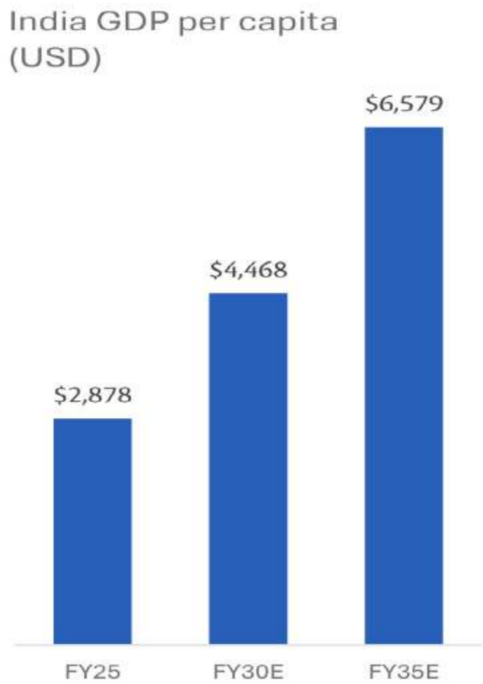


Exhibit 15: India GDP per capita estimates
Source: MOSPI, PIB OmniScience Insights Labs

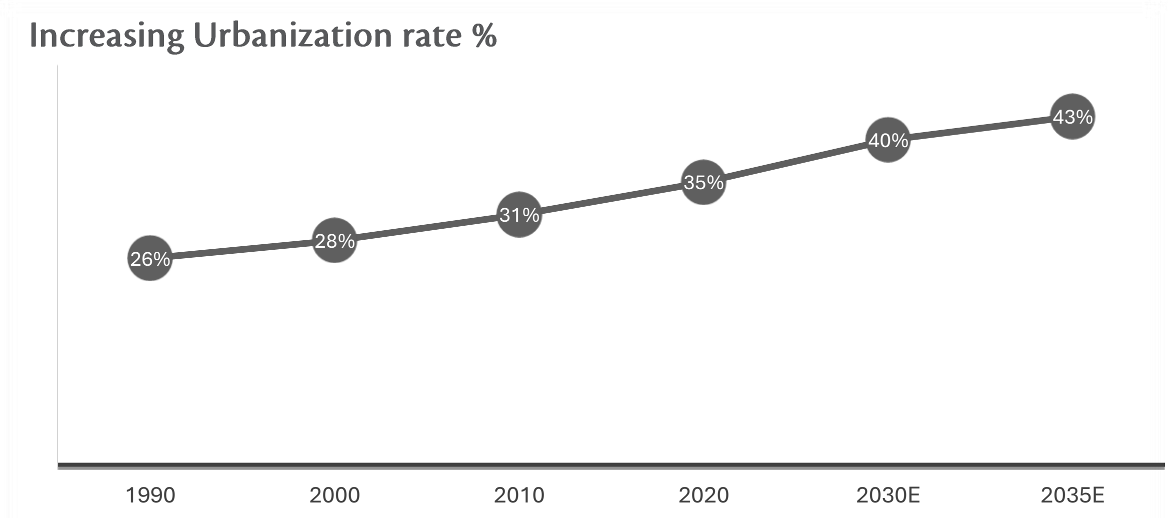


Exhibit 16: India urbanization rate (**Source:** World bank data, OmniScience Insights Labs)

India has made remarkable progress in urbanization over the past few decades, emerging among the countries with the largest urban populations globally. As of now, over 500 million Indians - approximately 35–36% of the total population reside in urban areas. This trend is expected to accelerate in the coming years, driven by economic growth, migration, and rapid infrastructure development.

India's urban population is expected to expand by an over 107 million by 2035, reaching approximately 650 million. This upward trajectory is anticipated to continue well beyond 2035, reflecting a long-term shift toward greater urbanization

Urbanization is also expected to significantly influence patterns of homeownership and housing demand, with more people seeking formal housing solutions in both metropolitan and emerging urban centers. This demographic shift will be a key driver for long-term growth in the housing finance sector, particularly in affordable and mid-income segments

Infrastructure push

India is making bold strides in transforming its urban infrastructure and connectivity. With projected infrastructure investments exceeding ₹143 lakh crore by 2030 primarily focused on urban clusters, the stage is set for a profound acceleration in real estate development, particularly in Tier II and III cities. These investments are expected to catalyse the emergence of satellite townships around major urban centers, helping to alleviate congestion in primary cities and expand regional development

A prime example of India's infrastructure upgrade is the Mumbai Trans Harbour Link (Atal Setu), the country's longest sea bridge. It cuts travel time between Mumbai and Navi Mumbai from about 2 hours to 30 minutes and links key highways including the Mumbai–Pune, Mumbai–Nagpur, and Mumbai–Goa corridors, boosting growth in areas such as Uran, Panvel, Kharghar, and Talegaon.

By 2035, the number of Indian cities with populations over 1 million is projected to rise from about 60 today to around 75, and to nearly 100 by 2050, underscoring the rapid expansion and densification of urban centers.

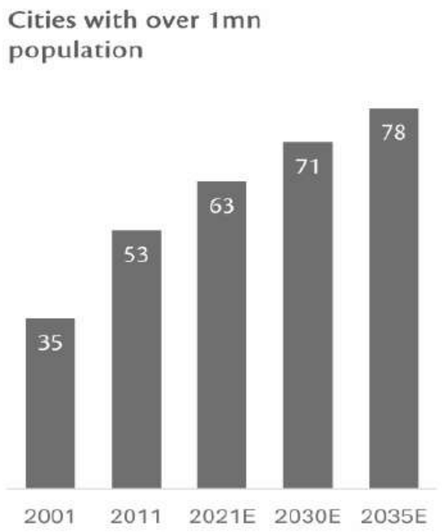
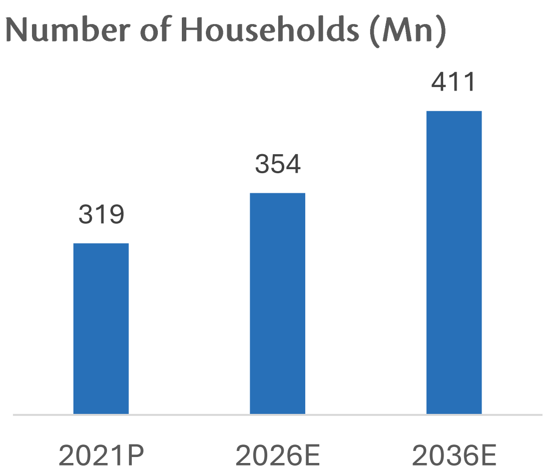


Exhibit 17: Number of Indian cities with population > 1 Mn

Source: Census data, UN, Crisil report as per HFC investor presentation

Housing demand : 2035 Estimates

As we saw before in Exhibit 7 and Exhibit 9 that the tax filers and credit active population increased significantly over the last 10 years with ~40 million new filers in the ₹4 lakh - ₹10 lakh income range and about 220 million additional people now using formal credit, these form a base to higher ticket value loans like housing loans to meet improved standards of living expectations.



Based on population and people per household estimates as seen in Exhibit, we expect the number of households is expected to grow to 411 million from about 354 million in 2026 implying an addition of 57 million households over the next 10 years, which can be a representative of strong additional housing demand. We further analyse potential mortgage loans volumes using 2 methods below.

Exhibit 18: Number of Households

Source: Gov technical group of Population Projection report, HFC DHRP, OmniScience Insights Labs

Method 1: Estimating using Average Household size

Assumptions	2025	2035E
Population	1,460 Mn	1,522 Mn
Urbanization rate%	37.5%	43%
Urbanized population (Mn)	548 Mn	655 Mn
Average Household size	4.13	3.70
Implied Urbanized Households	132 Mn	177 Mn
TAM Excl. Shortages		45 Mn
Existing Urban shortages		9.4 Mn
TAM		54 Mn
Loan Dependency Ratio		77%
Potential Mortgage demand		**42 Mn**

Exhibit 19: Assumptions and estimates for mortgage demand based on Average Household size

Source: Census data, UN, Knight Frank report, HFC investor presentation, OmniScience Insights Labs

In Method 1, we interpolate the urbanization rate from Exhibit 16 to estimate the current urbanized population, convert it into urban households using the people-per-household metric from Exhibit 13, and project household additions over the next 10 years. Incorporating existing housing shortages and loan-dependency ratios from an HFC's investor presentation yields an estimated potential mortgage demand of roughly 42 million.

Reaffirmed by Estimated Housing Demand from the 25–60 Cohort

Assumptions	2025	2035E
Population	1,460 Mn	1,522 Mn
% of Population within 25-60	45%	50%
Implied population for housing (25-60)	657 Mn	761 Mn
Urbanization rate %	37.5%	43.0%
Urbanized population between 25 - 60	246 Mn	327 Mn
Implied Additions		81 Mn
Persons between Age 25-60 per household		2
Potential Additional Household formations		40 Mn
Existing Urban shortages		9.4 Mn
TAM		49.4 Mn
Loan Dependency Ratio		77%
Potential Mortgage demand		**38 Mn**

Exhibit 20: Assumptions and estimates for mortgage demand based on 25-60 Cohort

Source: Government population estimate, UN, Knight Frank report, HFC investor presentation, OmniScience Insights Labs

We further refined our estimate by incorporating the population within the 25–60 age group, which yielded a potential mortgage demand of approximately 38 million closely aligning with the estimate derived using Method 1 (Exhibit 19).

Method 2: Estimating home loans based on growth rate

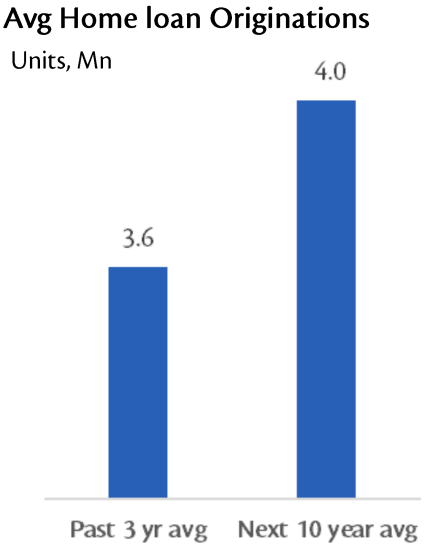


Exhibit 21: Avg Home loan originations per year
Source: CRIF Highmark, OmniScience Insights Labs

Currently approximately 3.6 million home loans are disbursed every year, and we expect this to grow over the next 10 years due to existing housing shortages, and sustained demand.

The implied households as can be seen in Exhibit 18 are expected to grow at a CAGR of 1.5% over the next 10 years, assuming home loans grow at a slightly higher pace to account for urban housing shortages of about 9.4Mn units as per Knight frank estimates we expect mortgages to grow at a CAGR of about 2%

At a CAGR of 2%, we expect the next 10-year average home loan originations to be 4 million per year, implying 10-yr cumulative home loan volumes at about 40 million.

From the methods explained above, we get a range of about 38 - 42 million cumulative additional mortgage volumes, so we take an average 40 million potential additional mortgages demand over the next 10 years to further estimate the funding opportunity.

Average Mortgage Value

To estimate the Average mortgage loan value we use 2 Methods:

Method 1: Estimating potential mortgage capacity using Income

Assumptions	
Tax filers ₹ 4lakh – ₹ 50 lakhs	5.77 crores
% share of total tax filers	76%
Average Income	8.25 lakhs per annum
Est Income growth	6%
% Income allocated for mortgage payments	40%
Loan Tenure	15 years
Interest rate	9%
Potential average mortgage value	**₹38.2 lakhs**

Exhibit 22: Estimating average mortgage value based on Income data,

Source: Income tax statistics, HFC investor presentations, UN, Knight Frank report, OmniScience Insights Labs

To estimate the average mortgage loan value, we leveraged income tax filer data to identify the average income range for individuals earning between ₹4–50 lakhs annually. We applied an assumed annual income growth rate of 6% to account for expected future increases in earnings. For determining affordability, we allocated 40% of monthly income toward EMI (Equated Monthly Instalment) payments, reflecting a reasonable repayment capacity.

Interest rates were calculated using the weighted average lending rates of the top eight banks and thirteen housing finance companies (HFCs), ensuring the estimate reflects prevailing market conditions. For loan tenure, we assumed a 15-year period, consistent with the weighted average preferred duration reported in a 2021 Magicbricks survey.

Combining these inputs income, EMI allocation, interest rates, and tenure we estimate that the average mortgage loan size is approximately ₹38.2 lakhs. This methodology provides a robust, data-driven approximation of loan affordability for middle-income earners in the Indian housing market.

Method 2: Deriving ASP using Disbursement value and volumes data

Assumptions	
Past 3 yr average disbursements	
Volume	3.6 million units
Value	₹10.2 trillion
Implied current average mortgage value	₹28.3 lakhs
Estimated growth based on past 10 years	5%
Estimated 10 years average mortgage value	**₹37.4 lakhs**

Exhibit 23: Estimating average mortgage value based on disbursement data

Source: CRIF Highmark report, OmniScience Insights Labs

Using the past three years' average origination values and volumes, we calculated an estimated average mortgage loan value for FY2025 of approximately ₹28 lakhs. To refine this estimate, we applied a 5% compound annual growth rate (CAGR), which is slightly higher than the historical 10-year CAGR of housing prices of 4.6% (as presented in Exhibit 6). This adjustment yields an estimated average mortgage value of around ₹37.4 lakhs.

Combining insights from these two approaches, as detailed in Exhibit 22 and Exhibit 23, we derive a projected range for the average mortgage value of approximately ₹37.4 lakhs to ₹38.2 lakhs. Taking the midpoint of this range, we arrive at an average mortgage value of ₹37.8 lakhs. This figure serves as the basis for estimating the total financing opportunity for FY2025.

Funding Opportunity for Home Loans

India's mortgage penetration remains among the lowest globally, with a mortgage-to-GDP ratio of approximately 11%, compared to around 28% in China and 50–60% in developed economies such as the U.S. and the U.K. This indicates that the Indian housing finance market is still at a relatively nascent stage.

This gap underscores the significant untapped potential in India's mortgage and housing finance market. With rising incomes, urban expansion, and government initiatives promoting home ownership, there lies a strong opportunity for further growth and deepening of mortgage penetration across the nation.

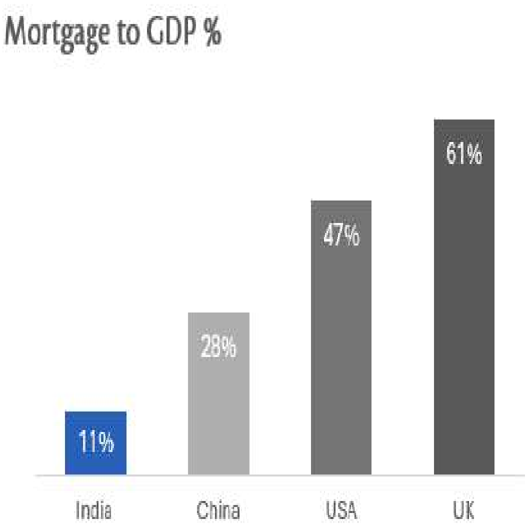


Exhibit 24: Mortgage to GDP by country
Source: WOWA, OECD NHB, MOSPI, Crisil report data in HFC investor presentation, OmniScience Insights

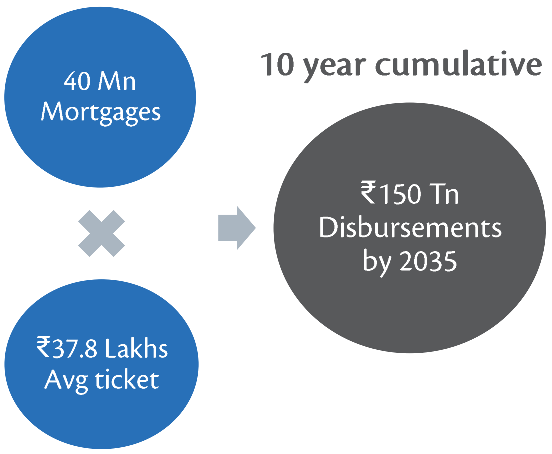


Exhibit 25: Estimating 10-year cumulative disbursements
Source: OmniScience Insights Labs

Looking ahead, we estimated cumulative disbursement requirement of financing the additional 40 million additional housing demand that will be emerging over the next 10 years, assuming an average loan value of about ₹37.8 lakhs, implying a total cumulative disbursement opportunity of about ~₹150 trillion by 2035. This reflects the sector's strong structural growth potential, driven by increasing urbanization, rising affordability, and continued policy support for housing development and homeownership

This estimate is based on conservative estimates and opportunity is even bigger. We have limited the demand scope to urbanised housing demand, while rural demand is also expected to grow. Further, replacement demand is not incorporated, as we have only considered the additional demand from new household formations. Meanwhile, a sizeable portion of the population is expected to improve their living standards as the economy grows, leading them to upgrade to higher-ticket housing with enhanced facilities.

Understanding the Players in Housing Finance

To further analyse the housing finance industry, we have considered 13 publicly listed housing finance companies (HFC) and 8 banks with the largest mortgage assets under management (AUM). These entities have then been grouped into four clusters: Private HFC, Private Banks, Public HFC and Public Banks, which enables us to compare performance among nationalised vs private players and banks vs housing finance companies.

This clustering enables a comparative assessment of performance across key parameters such as market share, mortgage AUM growth, average AUM, gross non-performing assets (GNPA), net interest margins (NIMs), return ratios, leverage, and valuation multiples. The analysis provides insights into structural differences, financial performance, and efficiency across institutional categories within the housing finance sector.

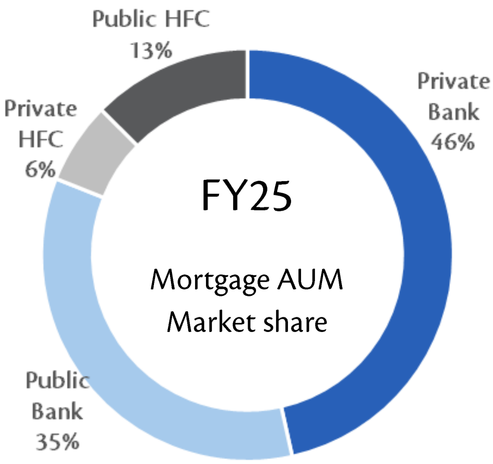


Exhibit 26: Home loan industry market share (**Source:** NHB)

The housing finance industry is led by private banks with a 46% market share, followed by government banks at 35%. Housing Finance Companies collectively hold the remaining 19%, primarily serving the affordable housing segment and tier-2 and tier-3 cities, where a larger share of borrowers are self-employed or in unorganized sectors, unlike the salaried customer base typically targeted by banks in tier-1 cities.

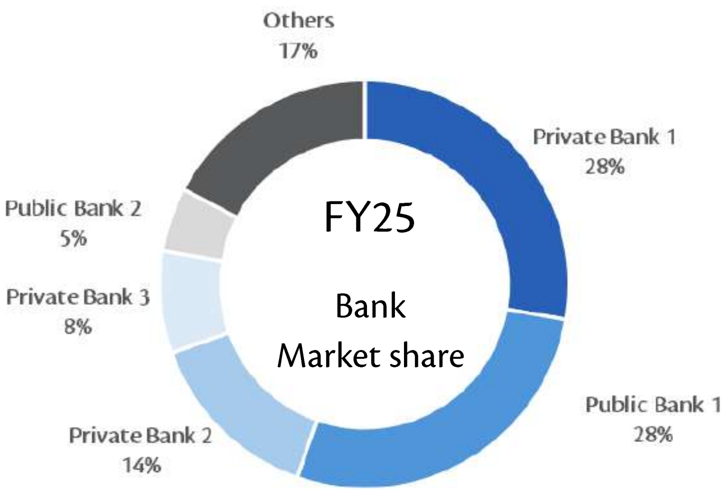


Exhibit 27: Mortgage book market share among banks

As of FY25, the housing finance industry among banks is highly concentrated, dominated by a few large players. The top three banks collectively command nearly three-fourths of the total bank market share, translating to about 57% of the overall housing finance industry. This underscores the stronghold of leading private and public sector banks in driving mortgage growth and shaping the sector's competitive landscape.

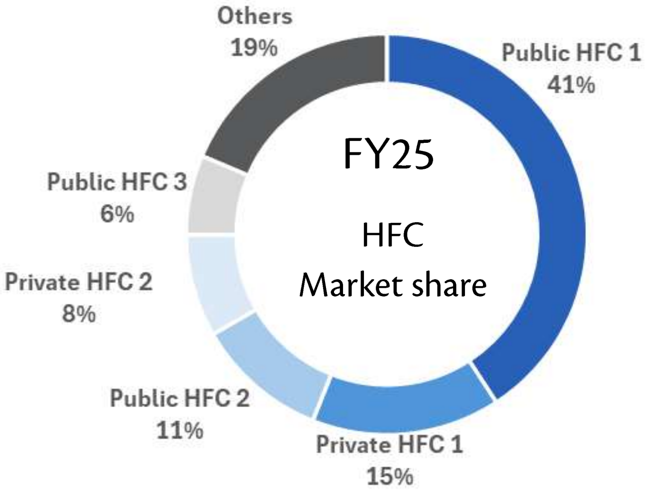


Exhibit 28: Mortgage book market share among Housing finance companies

A similar trend is observed among housing finance companies (HFCs), with the top three players collectively accounting for around 67% of the market share among housing finance companies, translating to approximately 13% of the overall housing finance industry.

This leads to top 3 banks and top 3 Housing finance companies to corner about 70% of the housing finance industry.

Comparing the performance

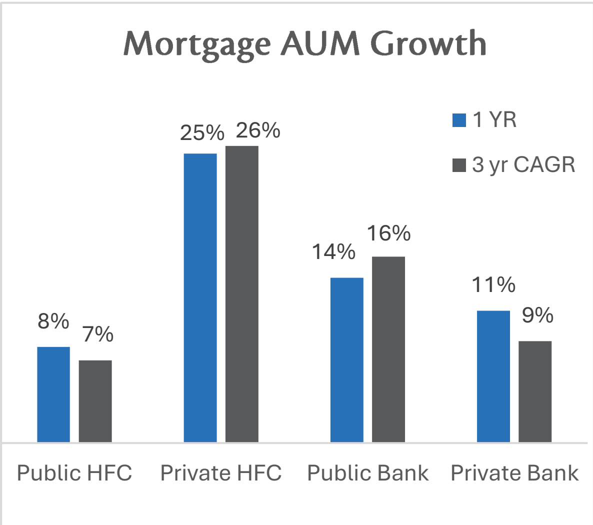


Exhibit 29: Mortgage book AUM historical growth rate

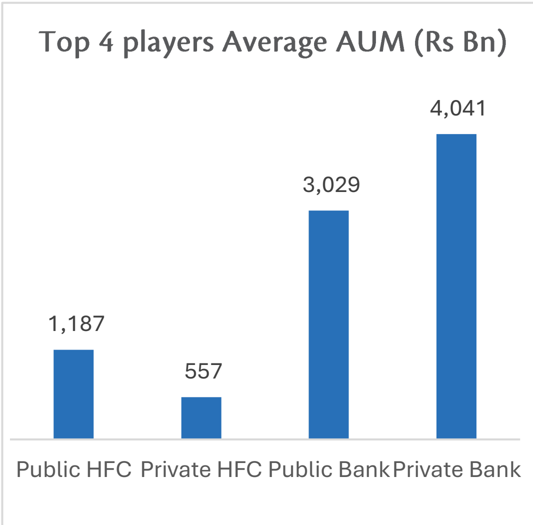
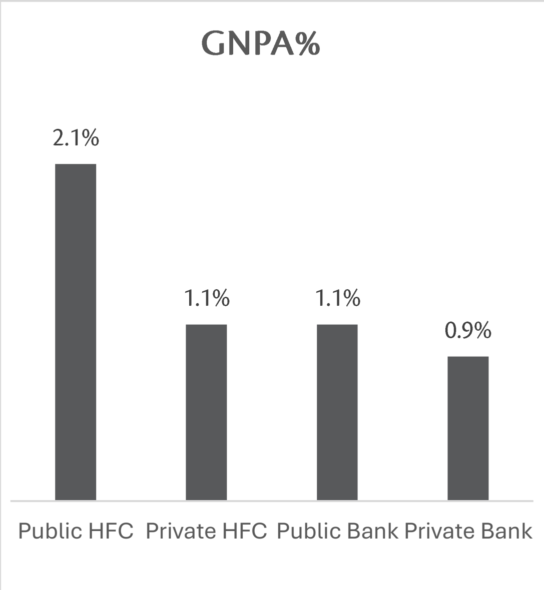


Exhibit 30: Avg Mortgage AUM of top 4 players

Private Housing Finance companies are growing the fastest among peers, partly due to their smaller AUM base on average. Public Banks currently outpace Private Banks in growth, though the latter are gaining momentum. In terms of size, Private Banks lead with an average AUM of Rs 4,041 Bn, followed by Public Banks at Rs 3,029 Bn, underscoring the scale advantage of banks despite stronger growth from Private Housing Finance companies.

Source: Company financials, OmniScience Insights Labs



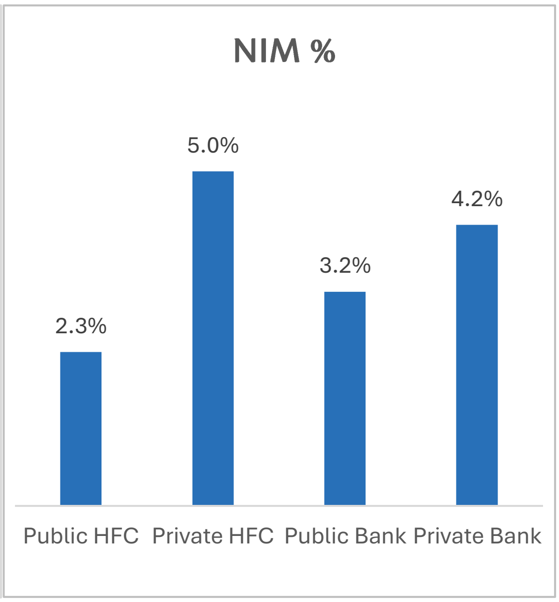
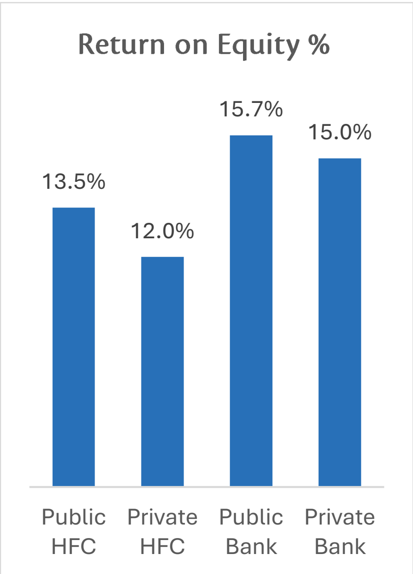
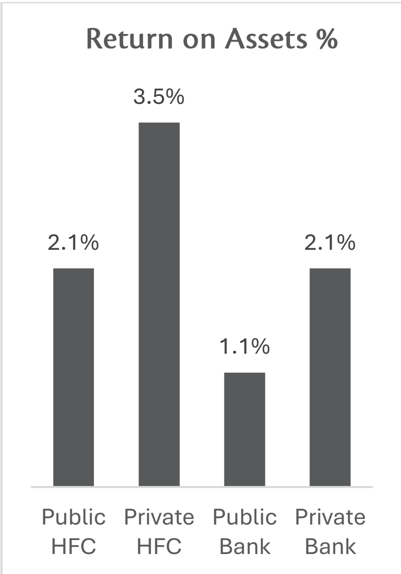


Exhibit 31: Gross Non-Performing assets

Exhibit 32: Net Interest Margins

Private sector institutions outperform public sector counterparts here as well, driven by higher Net Interest margins, better asset quality, and faster growth, while public sector players remain constrained by weaker efficiency and slower momentum.





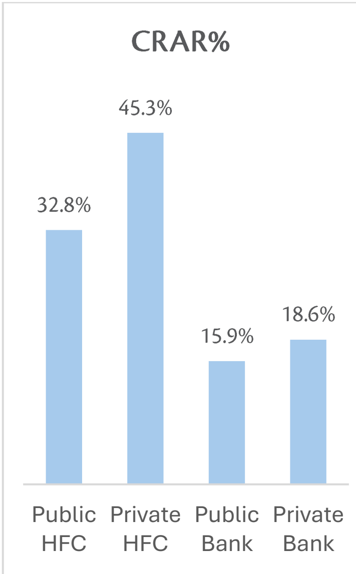


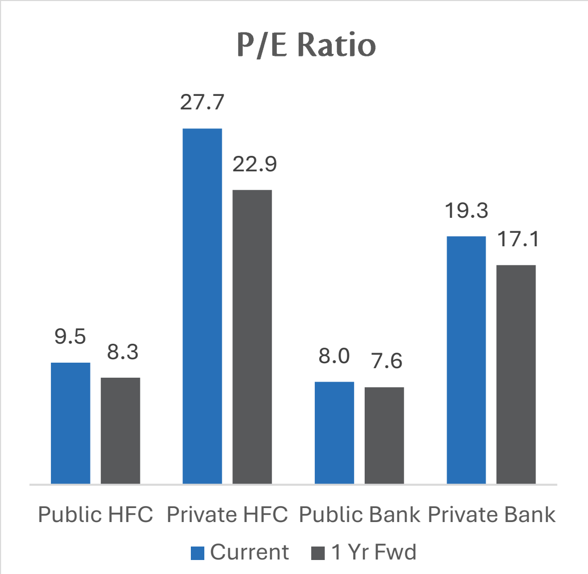
Exhibit 33 Avg Return on Equity %

Exhibit 34: Avg Return on Assets %

Exhibit 35: Avg CRAR%

Housing finance companies demonstrate stronger asset efficiency (higher ROA) compared to banks, particularly public sector banks that rely heavily on leverage to boost returns on equity. The CRAR remains comfortably over the threshold for both banks and HFC, public banks can be more efficient in future which can further boost their ROE.

Source: Company financials, OmniScience Insights Labs



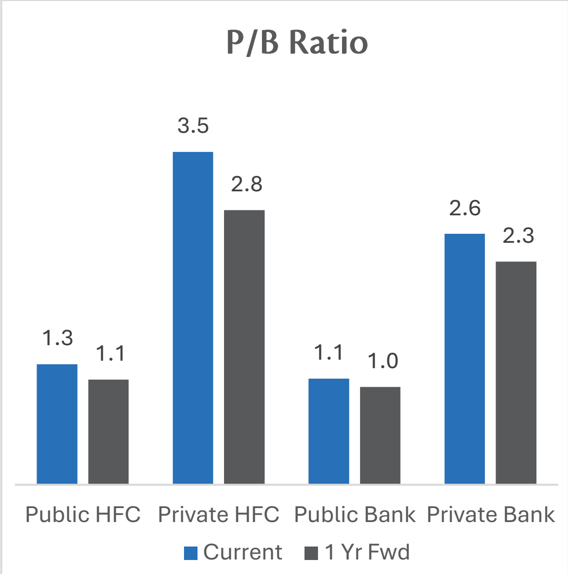


Exhibit 36 P/E Ratio

Exhibit 37: P/B ratio

Source: Company financials, OmniScience Insights Labs

Private housing finance companies and private banks command higher valuation multiples and stronger 2-year forward growth estimates compared to their government counterparts. The lower growth projections for government entities likely stem from their higher leverage and lower net interest margins, which constrain profitability and expansion potential.

Omni Capital Creators vs Industry average

Despite steadily strengthening sector dynamics, valuations across the space remain relatively muted. With balance sheets improving, demand accelerating, and a multi-year expansion in housing credit taking shape, current market multiples still fail to reflect the depth of the forthcoming growth cycle. This creates a compelling setup for a meaningful re-rating as momentum builds. The optimal approach is to balance growth with valuation discipline while maintaining diversified exposure across these segments.

Omni Capital Creators is well positioned to capture this emerging credit upcycle. The portfolio combines strong fundamentals, solid growth, and still-undemanding multiples offers meaningful upside as the and credit cycle strengthens.

	Omni Capital Creators	Housing finance industry	Nifty 500
P/E	9.2	14.9	24.5
P/B	1.2	2.1	3.7
ROE	14.3%	16%	19.1%
2 Yr Forward growth	14.6%	11.5%	14.3%

Exhibit 38: Comparing Omni Capital Creators to Housing Finance Industry and Nifty 500 on Fundamental parameters

The table above highlights how Omni Capital Creators fares in comparison to the housing finance industry and Nifty 500.

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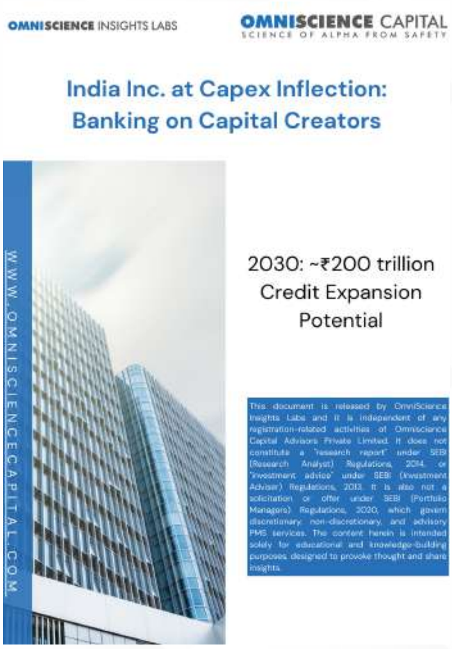

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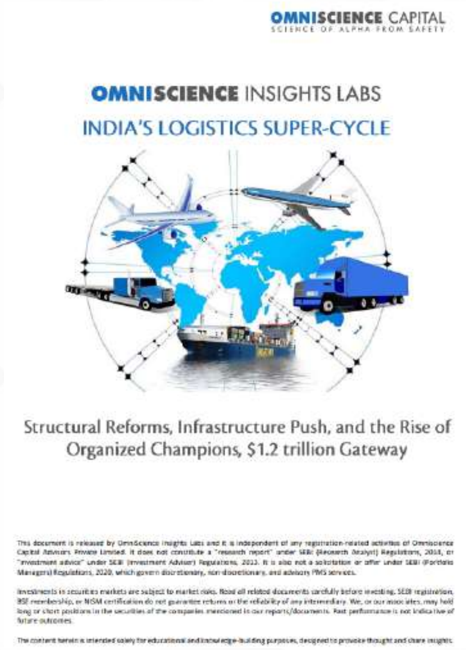

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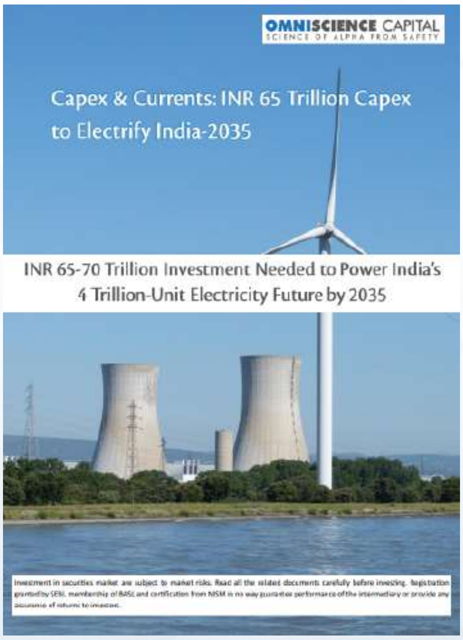

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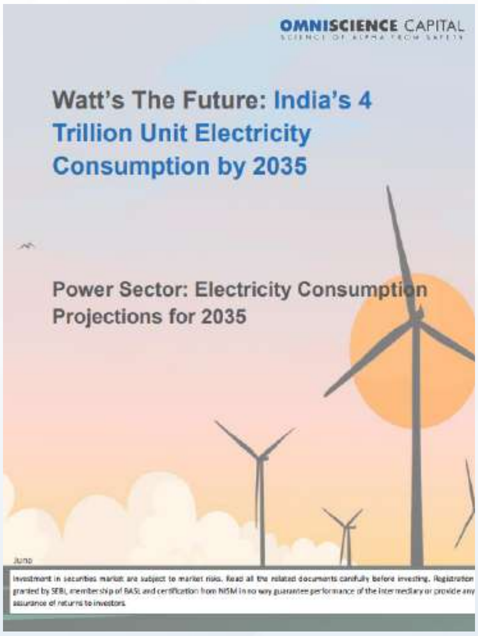

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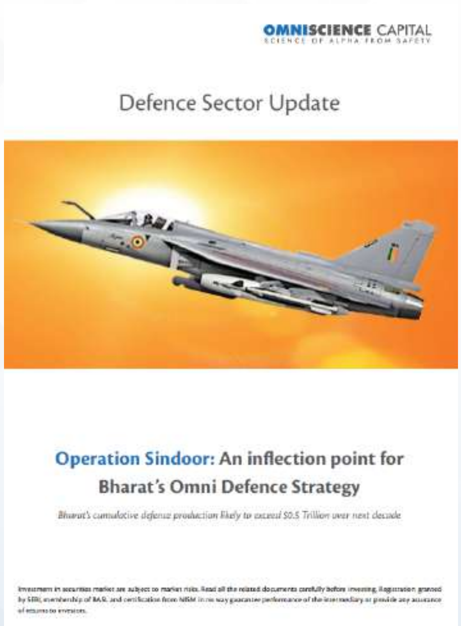

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