

May 02, 2023



Current Price: ₹ 1937.70

STOCK DATA

BSE Code	500247
NSE Symbol	KOTAKBANK
Reuters	KTKM.BO
Bloomberg	KMB IN

VALUE PARAMETERS

52 W H/L(Rs)	1997.00/1630.00
Mkt. Cap.(Rs Cr)	384935.06
Latest Equity(Subscribed)	993.28
Latest Reserve (cons.)	102084.83
Latest EPS (cons.) -Unit Curr.	71.73
Latest P/E Ratio -cons	27.01
Latest Bookvalue (cons.) -Unit Curr.	518.88
Latest P/BV - cons	3.73
Dividend Yield -%	0.06
Face Value	5.00

SHARE HOLDING PATTERN (%)

Description as on	% of Holding 31/03/2023
Foreign	41.22
Institutions	21.35
Non Promoter Corp. Hold.	2.00
Promoters	25.95
Public & Others	9.48

Consolidated Results

Particulars	In Cr.		
	Qtr Ending Mar. 23	Qtr Ending Mar. 22	Var. (%)
Interest Earned	11981.63	8838.18	36
Interest Expended	4229.65	2903.75	46
Net Interest Income	7751.98	5934.43	31
Other Income	8749.25	7838.15	12
Net Total Income	16501.23	13772.58	20
Operating Expenses	10364.17	9083.53	14
Operating Profits	6137.06	4689.05	31
Provisions & Contingencies	148.34	-398.26	137
Profit Before Tax	5988.72	5087.31	18
Provision for Tax	1459.2	1228.56	19
PAT Before Minority Interest	4529.52	3858.75	17
Share in profits of associates	36.87	33.07	11
PAT	4566.39	3891.82	17
EPS	22.99	19.61	-

Q4FY23, Strong growth momentum, healthy margins and asset quality, beats estimates

On consolidated front, the bank has reported 17% growth in the Net Profit to Rs 4566.39 crore for the quarter ended March 2023, up from Rs 3891.82 crore in the quarter ended March 2022. NII increased 31% to Rs 7751.98 crore, while other income moved up 12% to Rs 8749.25 crore. The operating profit improved 31% to Rs 6137.06 crore in the quarter ended March 2023. Provisions and contingencies were at Rs 148.34 crore, while the effective tax rate was steady at 24.37% in Q4FY2023, compared with 24.1% in Q4FY2022.

On a standalone basis, reported robust 26% growth in Net Profit to Rs 3495.59 crore in the quarter ended March 2023 (Q4FY2023) over the corresponding quarter of last year. The bank has exhibited healthy improvement in asset quality, while further improved its net interest margins (NIMs) in Q4FY2023. NIMs of the bank have improved to 5.75% in Q4FY2023 compared with 5.47% in the previous quarter and 4.78% in the corresponding quarter last year.

The cost-to-income rate has further improved to 43.93% in Q4FY2023 from 49.35% in the previous quarter and 46.35% in the corresponding quarter last year. The credit cost (NPA provisions as an annualized percentage of loans) was moderate at 0.21% in Q4FY2023. The bank has maintained strong loan growth to 20% at end March 2023. The business growth of the bank was healthy at 17% at end March 2023.

Asset quality improves: The bank has improved the asset quality on consolidated as well as standalone basis, in the quarter ended March 2023.

- The fresh slippages of loans were stable at Rs 823 crore in Q4FY2023, while the recoveries and upgrades stood at Rs 787 crore.

Consolidated Asset Quality Indicators: Kotak Mahindra Bank

In Cr.

	Qtr Ending	Qtr Ending	Qtr Ending	Qtr Ending	Qtr Ending	Variation	
	Mar-23	Dec-22	Sep-22	Jun-22	Mar-22	QoQ	YoY
Gross NPA (Rs Crore)	6418.67	6730	6966.34	7223.54	7334.05	-5	-12
Net NPA (Rs Crore)	1478.64	1667.71	1975.44	2143.06	2148.72	-11	-31
% Gross NPA	1.76	1.91	2.09	2.27	2.37	-15bps	-61bps
% Net NPA	0.41	0.48	0.6	0.69	0.71	-7bps	-30bps
% CRAR - Basel III	21.8	19.66	21.24	23.3	23.7	214bps	-190bps

Variation in basis points for figures given in percentages and in % for figures in Rs crore

- On standalone basis, GNPA ratio has improved to 1.78% and NNPA ratio to 0.37% at end March 2023.
- The SMA-2 category loans of the bank was steady at Rs 204 crore at end March 2023 from Rs 191 crore a quarter ago and Rs 186 crore a year ago.
- Capital Adequacy ratio under Basel III including profits stood at 21.80% end March 2023.

Business Highlights: Standalone Business Highlights

- The business level of the bank increased 17% yoy to Rs 682957 crore at end March 2023. The deposits moved up 16% to Rs 363096 crore, while advances increased 18% to Rs 319861 crore at end March 2023. The credit-deposit ratio eased to 88.09% at end March 2023 from 90.16% a quarter ago.
- Segment wise, Corp & Business banking recorded loan growth of 6% to Rs 70384 crore, CV/CE 24% to Rs 27786 crore, agriculture 5.43% to Rs 27547 crore, Tractor Finance 29% to Rs 13909 crore, Home Loans & LAP 22% to Rs 92731 crore, Consumer Bank WC (Secured) 15% to Rs 30343 crore, personal loans and Consumer Durables 57% to Rs 15773 crore, Credit Cards 81% to Rs 10090 crore and SME 18% to Rs 24174 crore end March 2023 over March 2022.
- The CASA deposits ratio was healthy at 52.83% at end March 2023 from 53.26% a quarter ago and 60.68% a year ago. The cost of saving account deposits was stable at 3.76% at end March 2023.
- The bank has added 28 branches and 149 ATMs in the quarter ended March 2023. The branch and ATMs network of the bank stood at 1780 branches and 2963 ATMs at end March 2023.

Book Value per share of the bank stood at Rs 420.1 per share at end March 2023. Adjusted book value (net of NNPA and 10% of restructured advances) stood at Rs 413.8 per share at end March 2023.

Consolidated Business Highlights

Total assets of the bank increased 14% to Rs 620430 crore at end March 2023. Consolidated customer assets increased 19% to Rs 393882 crore at end March 2023.

Book Value per share stood at Rs 565.1 per share at end March 2023, while adjusted book value (net of NNPA) stood at Rs 557.6 per share at end March 2023.

Consolidated Quarterly Performance:

- On the consolidated front, the bank has reported 17% increase in the net profit at Rs 4566.39 crore, with the NII growth of 31% to Rs 7751.98 crore in the quarter ended March 2023. Non-

interest income increased 12% to Rs 8749.25 crore and net total income moved up 20% to Rs 16501.23 crore in the quarter ended March 2023. The expense ratio was lower at 62.8%, while the tax rate was steady at 24.4% in the quarter ended March 2023.

- Kotak Prime has reported 6% yoy improvement in the net total income at Rs 533 crore for Q4FY2023, while net profits declined 28% to Rs 224 crore. Total customer asset moved up 19% yoy to Rs 28792 crore at end March 2023. Car advances constituting 80.5% of the total customer assets increased 28% to Rs 23178 crore. Asset quality has improved with %NNPA moderating to 0.90% at end March 2023 from 1.70% at end March 2022.
- Kotak Mahindra Life Insurance has reported 16% increase in the gross premium collection to Rs 6189 crore in Q4FY2023. PAT declined 23% to Rs 205 crore in Q4FY2023. Solvency ratio rose to 2.83% in Q4FY2023 against 2.73% in Q4FY2022.
- Kotak Securities has reported PAT at Rs 182 crore in Q4FY2023, exhibiting 28% decline from Rs 252 crore in Q4FY2022. Total income declined 12% to Rs 581 crore. Market share rose to 6.4% at end March 2023 from 5.8% a quarter ago and 3.7% a year ago.
- Kotak Mahindra Capital has reported a net profit of Rs 48 crore, against Rs 42 crore in the corresponding quarter last year. AUM increased 10% to Rs 420880 crore at end March 2023 over March 2022.
- Kotak Mahindra AMC and Trustee Co reported 2% rise in Average AUM at Rs 291595 crore in the quarter ended March 2023. The net profit of the company jumped 88% to Rs 192 crore in Q4FY2023.

Standalone Financial Performance - Fy2023:

For the year ended March 2022 (Fy2023), the bank posted 28% jump in the net profit to Rs 10939.30 crore. The net interest income increased 28% to Rs 21551.92 crore, while the non-interest income improved 18% to Rs 7083.05 crore in FY2023. Expense ratio rose to 48.1% in FY2023 compared to 47.2% in FY2022. The provision and contingencies declined 34% to Rs 456.99 crore FY2023. The profit before tax jumped 27% to Rs 14390.99 crore in FY2023. The effective tax rate was marginally lower at 24.0% in FY2023 compared to 24.5% in FY2022. Net profit surged 28% to Rs 10939.30 crore in Fy2023.

Consolidated Financial Performance - Fy2023:

For the year ended March 2022 (Fy2023), the bank posted 23% surge in the net profit to Rs 14925.01 crore. The net interest income improved 25% to Rs 27739.93 crore, while non-interest income rose 4% to Rs 25829.96 crore in FY2023. Expense ratio was lower at 62.5% in FY2023 compared to 64.4% in FY2022. The provision and contingencies declined 43% to Rs 439.68 crore in FY2023. The profit before tax jumped 23% to Rs 19646.18 crore in FY2023. The effective tax rate was lower at 24.8% in FY2023 compared to 25.2% in FY2022. Net profit increased 23% to Rs 14925.01 crore in Fy2023.

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