

April 25, 2024



**AXIS BANK**

**Current Price:** ₹ 1063.70

## STOCK DATA

BSE Code	532215
NSE Symbol	AXISBANK
Reuters	AXBK.BO
Bloomberg	AXSB IN

## VALUE PARAMETERS

52 W H/L(Rs)	1151.50/853.75
Mkt. Cap.(Rs Cr)	328365.63
Latest Equity(Subscribed)	617.40
Latest Reserve (cons.)	142366.83
Latest EPS (cons.) -Unit Curr.	72.54
Latest P/E Ratio -cons	14.66
Latest Bookvalue (cons.) -Unit Curr.	463.18
Latest P/BV - cons	2.30
Dividend Yield -%	0.09
Face Value	2.00

## SHARE HOLDING PATTERN (%)

Description as on	% of Holding 31/03/2024
Foreign	56.82
Institutions	29.08
Non Promoter Corp. Hold.	1.07
Promoters	7.93
Public & Others	5.11

## Financial Results

In Cr.

Particulars	Qtr Ended Mar. 24	Qtr Ended Mar. 23	Var %
Interest Earned	29224.54	23969.76	22
Interest Expended	16135.54	12227.60	32
Net Interest Income	13089.00	11742.16	11
Other Income	6765.79	4787.80	41
Net Total Income	19854.79	16529.96	20
Operating Expenses	9319.09	7362.35	27
Operating Profits	10535.70	9167.61	15
Provisions & Contingencies	1185.31	305.77	288
Profit Before Tax	9350.39	8861.84	6
EO	0.00	-12489.82	-
PBT after EO	9350.39	-3627.98	LP
Provision for tax	2220.72	2100.44	6
PAT	7129.67	-5728.42	LP
EPS*(Rs)	23.10	15.15	

### Axis Bank Q4 Results | Robust Performance, meets street's estimates

Axis Bank has reported strong net profit of Rs 7129.67 crore for the quarter ended March 2024 (Q4FY2024). The bank had reported net loss Rs 5728.42 crore for Q4FY2023 on account of expenses relating to acquisition of Citibank India Business. The bank has posted healthy 11% growth in net interest income (NII), while the core fee income of the bank improved 23% in Q4FY2024. The Net Interest Margin (NIM) of the bank rose on sequential basis to 4.06% in Q4FY2024 from 4.01% in Q3FY2024, while eased from 4.22% in the corresponding quarter of previous year.

On business front, the bank has posted 13% growth in business with 14% jump in loan book. The asset quality of the bank has improved in Q4FY2024. Bank has raised the credit to deposit ratio to 90.3% at end March 2024 from 89.3% at end March 2023. The CASA deposit ratio of the bank has moved up to 43.0% at end March 2024 from 42.1% end December 2023, while eased from 47.2% at end March 2023.

**Asset quality improves:** The bank has improved asset quality in Q4FY2024.

- The fresh slippages of loans stood at Rs 3471 crore in Q4FY2024 compared with 3715 crore in previous quarter and Rs 3375 crore in the corresponding quarter last year.
- The recoveries and upgradations of NPAs was at Rs 2155 crore and the write-off of loans was at Rs 2082 crore in Q4FY2024.
- The standard restructured loan book of the bank stood at Rs 1528 crore end March 2024 that translates to 0.14% of the gross customer assets. The Bank carries a provision of 20% on restructured loans, which is in excess of regulatory limits.
- Provision coverage ratio was steady at 94.00% at end March 2024 compared to 94.00% a quarter ago and 94.00% a year ago.
- The capital adequacy ratio of the bank stood at 16.6% with Tier I ratio at 14.2% at end March 2024.

## Asset Quality Indicators

Particulars	Qtr Ended	Qtr Ended	Qtr Ended	Qtr Ended	Qtr Ended	Variation	
	Mar-24	Dec-23	Sept-23	Jun-23	Mar-23	QoQ	YoY
Gross NPA (Rs Crore)	15127.12	15893.01	16756.74	18158.23	18604.23	-5	-19
Net NPA (Rs Crore)	3247.47	3526.87	3441.25	3703.56	3558.92	-8	-9
% Gross NPA	1.43	1.58	1.73	1.96	2.02	-15	-59
% Net NPA	0.31	0.36	0.36	0.41	0.39	-5	-8
% PCR	94.00	94.00	94.00	93.00	94.00	0	0
% CRAR - Basel III	16.63	14.88	16.56	17.08	17.64	175	-101
% CRAR - Tier I - Basel III	14.20	12.43	13.80	14.24	14.57	177	-37

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

### Business Highlights:

**Healthy business growth:** The business of the bank has increased 13% yoy to Rs 2033710 crore end March 2024, driven by 14% surge in advances to Rs 965069 crore. Deposits moved up 13% to Rs 1068641 crore at end March 2024.

**CASA deposits ratio improves on sequential basis:** The CASA deposits of the bank increased 3% yoy to Rs 459401 crore at end March 2024. The current account deposits increased 5% to Rs 157268 crore, while saving account deposits rose 2% to Rs 302133 crore end March 2024. The CASA ratio declined to 43.0% at end March 2024 compared to 47.2% at end March 2023, while improved from 42.1% a quarter ago. The term deposits have increased 22% to Rs 609240 crore end March 2024.

**Healthy loan growth:** Advances growth was driven by retail loans rising 20% yoy to Rs 583265 crore at end March 2024, while credit to MSME increased 17% to Rs 104718 crore at end March 2024. The corporate credit has rose 6% to Rs 250293 crore end March 2024. The overseas credit dipped 17% to Rs 26793 crore end March 2024. Investment book of the bank increased 15% yoy to Rs 331527 crore at end March 2024. The AFS book moved up 10% to Rs 76251 crore, while HTM book rose 2% to Rs 215493 crore at end March 2024.

**Margins improve:** The bank has showed 68 bps yoy jump in cost of deposits to 5.43% in Q4FY24. NIM has declined 16 bps yoy, while rose 5 bps qoq to 4.06%.

**Branch expansion:** The bank has added 125 branches and 95 ATMs in Q4FY2024, taking overall tally to 5377 branches and 16026 ATM`s end March 2024.

**Book value** of the bank stood at Rs 489.3 per share at end March 2024, while the adjusted book value (net of NNPA and 10% of restructured advances) was Rs 478.3 per share at end March 2024.

### Quarterly Performance

**NII rises as NIM improves:** Bank has recorded 22% increase in the interest earned at Rs 29224.54 crore, while interest expenses increased 32% to Rs 16135.54 crore in Q4FY2024. NII improved 11% to Rs 13089.00 crore in the quarter ended March 2024.

**Healthy growth in the core fee income:** Bank has posted strong 23% growth in core fee income to Rs 5637 crore, while the treasury income surged 1130% to Rs 1021 crore supporting 41% jump in the overall non-interest income to Rs 6765.79 crore in the quarter ended March 2024. Other income declined 21% to Rs 108 crore

**Stable expenses ratio:** The operating expenses of the bank increased 27% to Rs 9319.09 crore, as employee expenses increased 35% to Rs 2923.54 crore in Q4FY2024. Other expenses

moved up 23% to Rs 6395.55 crore. Cost to income ratio rose to 46.9% in Q4FY2024 compared with 44.5% in Q4FY2023. The Operating Profit increased 15% to Rs 10535.70 crore.

**Provisions and contingencies jump:** The bank has showed 288% surge in provisions to Rs 1185.31 crore. The loan loss provisions zoomed 208% to Rs 832 crore, while other provisions rebounded to Rs 368 crore. the bank has written back standard asset provisions of Rs 15 crore in Q4FY2024.

**Effective tax rate** was steady at 23.8% in Q4FY2024 from 23.7% in Q4FY2023. Net Profit came in at Rs 7129.67 crore during quarter ended March 2024.

### Wealth Management Business - Burgundy

The Bank's wealth management business is among the largest in India with assets under management (AUM) of Rs 5,36,609 crore end March 2024 that grew 50% YOY and 6% QOQ. Burgundy Private, the Bank's proposition for high and ultra-high net worth clients, covers 10,651 families. The AUM for Burgundy Private increased 33% YOY and 3% QOQ to Rs 1,83,048 crore.

### Subsidiaries' Performance

The Bank's domestic subsidiaries delivered steady performance with FY24 PAT of Rs 1,591 crore, up 22% YOY.

- **Axis Finance** has been investing in building a strong customer focused franchise. Its overall assets under finance grew 38% YOY. Retail book grew 51% YOY and constituted 45% of total loans, up from 28% three years ago. The focus in its wholesale business continues to be on well rated companies and cash flow backed transactions. Axis Finance remains well capitalized with total Capital Adequacy Ratio of 19.24%. The book quality remains strong with net NPA at 0.28%. Axis Finance FY24 PAT was Rs 610 crore, up 28% YOY from Rs 475 crore in FY23.
- **Axis AMC's** overall QAAUM grew 14% YOY to Rs 2,74,265 crore. Its FY24 PAT stood at Rs 414 crore.
- **Axis Capital** FY24 PAT stood at Rs 150 crore and completed 90 investment banking transactions in FY24.
- **Axis Securities'** broking revenues for FY24 grew 58% YOY to Rs 1,143 crore. Its FY24 PAT grew 48% YOY and stood at Rs 301 crore.

### Financial Performance FY2024:

Bank has posted strong net profit of Rs 24861.43 crore in the year ended March 2024 (FY2024). The net interest income increased 16% to Rs 49894.48 crore, while non-interest income moved up 39% to Rs 22441.96 crore, pushing up net total income by 22% to Rs 72336.44 crore in FY2024. The operating expenses increased 30% to Rs 35213.28 crore, while provision and contingencies galloped 53% to Rs 4063.09 crore, allowing profit before tax to increase 12% to Rs 33060.07 crore in FY2024. The cost-to-income ratio rose to 48.7% in FY2024 compared to 45.8% in FY2023. An effective tax rate declined to 24.8% in FY2024 compared to 43.3% in FY2023. The net profit has increased 160% to Rs 24861.43 crore in FY2024.

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