

January 23, 2024



Current Price: ₹ 1806.45

STOCK DATA

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

VALUE PARAMETERS

52 W H/L(Rs)	2063.00/1644.20
Mkt. Cap.(Rs Cr)	359059.44
Latest Equity(Subscribed)	993.83
Latest Reserve (cons.)	88462.66
Latest EPS (cons.) -Unit Curr.	66.13
Latest P/E Ratio -cons	27.32
Latest Bookvalue (cons.) -Unit Curr.	450.06
Latest P/BV - cons	4.01
Dividend Yield -%	0.08
Face Value	5.00

SHARE HOLDING PATTERN (%)

Description as on	% of Holding 31/12/2023
Foreign	39.90
Institutions	23.07
Non Promoter Corp. Hold.	1.87
Promoters	25.91
Public & Others	9.26

Consolidated Results

In Cr.

	Qtr Ended Dec. 23	Qtr Ended Dec. 22	VAR %
Interest Earned	11799.02	8998.61	31
Interest Expended	5245.50	3345.69	57
Net Interest Income	6553.52	5652.92	16
Other Income	2297.02	1948.32	18
Net Total Income	8850.54	7601.24	16
Operating Expenses	4284.33	3751.40	14
Operating Profits	4566.21	3849.84	19
Provisions & Contingencies	579.14	148.83	289
Profit Before Tax	3987.07	3701.01	8
Provision for Tax	982.06	909.13	8
PAT	3005.01	2791.88	8
EPS*(Rs)	15.12	14.06	

Kotak Mahindra Bank Q3 FY24 Results: Stable margins and asset quality, meets estimates

Kotak Mahindra Bank (KMB), on a standalone basis, reported 8% growth in Net Profit to Rs 3005.01 crore in the quarter ended December 2023 (Q3FY2024) over the corresponding quarter of last year. The bank has exhibited stable asset quality and net interest margins (NIMs) in Q3FY2024. NIMs of the bank were steady at 5.22% in Q3FY2024 compared with 5.22% in the previous quarter, while declined from 5.47% in the corresponding quarter last year. The cost-to-income rate rose to 48.41% in Q3FY2024 from 46.46% in the previous quarter, while declined from 49.35% in the corresponding quarter last year. The credit cost (NPA provisions as an annualized percentage of loans) rose to 0.35% in Q3FY2024 from 0.19% in Q3FY2023. However, the bank exhibited healthy loan growth at 19% at end December 2023. The business volumes of the bank improved 17% at end December 2023.

On consolidated front, the bank has reported 7% growth in the Net Profit to Rs 4264.78 crore for the quarter ended December 2023, up from Rs 3995.05 crore in the quarter ended December 2022. NII increased 18% to Rs 8509.48 crore, while other income moved up 30% to Rs 9588.19 crore. The operating profit improved 17% to Rs 6275.59 crore in the quarter ended December 2023. Provisions and contingencies have surged 345% to Rs 662.00 crore, while the effective tax rate was higher at 25.14% in Q3FY2024, compared with 24.2% in Q3FY2023.

Stable asset quality: The bank has maintained stable asset quality on consolidated as well as standalone basis, in the quarter ended December 2023.

- On standalone basis, GNPA ratio was steady at 1.73% and NNPA ratio declined to 0.34% at end December 2023.
- The SMA-2 category loans of the bank was nearly steady at Rs 210 crore at end December 2023 from Rs 119 crore a quarter ago and Rs 191 crore a year ago.
- Capital Adequacy ratio under Basel III including profits stood at 21.20% with the Tier I of 20.10% at end December 2023.

Business Highlights:

The business level of the bank increased 17% yoy to Rs 768224 crore at end December 2023. The deposits moved up 19% to Rs 408636 crore, while advances increased 16% to Rs 359588

Standalone Asset Quality Indicators: Kotak Mahindra Bank

In Cr.

Particulars	Qtr Ended	Qtr Ended	Qtr Ended	Qtr Ended	Qtr Ended	Variation		
	Dec 23	Sept 23	Jun 23	Mar 23	Dec 22	QoQ	YTD	YoY
Gross NPA (Rs Crore)	6301.67	6087.23	5909.24	5768.32	5994.57	4	9	5
Net NPA (Rs Crore)	1225.26	1274.81	1301.8	1193.3	1344.77	-4	3	-9
% Gross NPA	1.73	1.72	1.77	1.78	1.9	1	-5	-17
% Net NPA	0.34	0.37	0.4	0.37	0.43	-3	-3	-9
% PCR	80.6	79.1	78	79.3	77.6	150	130	300
% CRAR - Basel III	19	20.03	21.12	21.8	19.66	-103	-280	-66

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

crore at end December 2023. The credit-deposit ratio rose to 88.00% at end December 2023 from 86.86% a quarter ago.

- Segment wise, Corp & Business banking recorded loan growth of 13% to Rs 84246 crore, CV/CE 31% to Rs 33751 crore, Agriculture Division 5% to Rs 27512 crore, Tractor Finance 17% to Rs 15156 crore, Home Loans & LAP 15% to Rs 102234 crore, Consumer Bank WC (Secured) 20% to Rs 33790 crore, PL, BL and Consumer Durables 33% to Rs 19310 crore, Credit Cards 52% to Rs 13882 crore and SME 18% to Rs 25816 crore end December 2023 over December 2022.
- The CASA deposits ratio eased to 47.73% at end December 2023 from 48.25% a quarter ago and 53.26% a year ago. The cost of saving account deposits rose to 4.14% at end December 2023 from 4.05% end September 2023.
- The bank has added 19 branches and 69 ATMs in the quarter ended December 2023. The branch and ATMs network of the bank stood at 1869 branches and 3239 ATMs at end December 2023.

Consolidated Quarterly Performance:

On the consolidated front, the bank has reported 7% increase in the net profit at Rs 4264.78 crore, with the NII growth of 18% to Rs 8509.48 crore in the quarter ended December 2023. Non-interest income increased 30% to Rs 9588.19 crore and net total income moved up 24% to Rs 18097.67 crore in the quarter ended December 2023. The expense ratio was higher at 65.3%, while the tax rate was also high at 25.1% in the quarter ended December 2023.

Kotak Prime has reported 21% yoy improvement in the net total income at Rs 633 crore for Q3FY2024, while net profits rose 6% to Rs 239 crore. Total customer asset moved up 22% yoy to Rs 32944 crore at end December 2023. Car advances constituting 84.6% of the total customer assets increased 30% to Rs 27861 crore. Asset quality has improved with %NNPA moderating to 0.80% at end December 2023 from 1.10% at end December 2022.

Kotak Mahindra Life Insurance has reported 10% increase in the gross premium collection to Rs 3975 crore in Q3FY2024. PAT declined 58% to Rs 140 crore in Q3FY2024. Solvency ratio eased to 2.66% in Q3FY2024 against 2.88% in Q3FY2023.

Kotak Securities has reported PAT at Rs 306 crore in Q3FY2024, exhibiting 27% surge from Rs 241 crore in Q3FY2023. Total income moved up 55% to Rs 999 crore. Market share rose to 10.3% at end December 2023 from 8.8% a quarter ago and 5.8% a year ago.

Kotak Mahindra Capital has reported a net profit of Rs 35 crore, against Rs 28 crore in the corresponding quarter last year. AUM increased 32% to Rs 533365 crore at end December 2023 over December 2022.

Kotak Mahindra AMC and Trustee Co reported 23% surge in Average AUM at Rs 353885 crore in the quarter ended December 2023. The net profit of the company fell -3% to Rs 146 crore in Q3FY2024.

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