

January 21, 2024

Q3FY24 Result Update

☑ Change in Estimates | ■ Target | ■ Reco

Change in Estimates

	Current		Previous	
	FY25E	FY26E	FY25E	FY26E
Rating	BUY		BUY	
Target Price	2,250		2,250	
NII (Rs. m)	2,95,985	3,41,106	2,95,992	3,43,882
% Chng.	-	(0.8)		
Op. Profit (Rs. m)	2,12,293	2,39,881	2,12,648	2,42,271
% Chng.	(0.2)	(1.0)		
EPS (Rs.)	73.0	82.2	73.0	82.8
% Chng.	-	(0.8)		

Key Financials - Standalone

Y/e Mar	FY23	FY24E	FY25E	FY26E
NII (Rs m)	2,15,519	2,57,497	2,95,985	3,41,106
Op. Profit (Rs m)	1,48,480	1,89,016	2,12,293	2,39,881
PAT (Rs m)	1,09,393	1,29,225	1,45,122	1,63,291
EPS (Rs.)	51.9	65.0	73.0	82.2
Gr. (%)	24.0	25.2	12.3	12.5
DPS (Rs.)	1.2	3.3	3.7	4.1
Yield (%)	0.1	0.2	0.2	0.2
NIM (%)	4.9	5.0	5.0	4.9
RoAE (%)	14.0	14.4	14.1	13.9
RoAA (%)	2.4	2.4	2.4	2.3
P/BV (x)	4.6	3.7	3.3	2.9
P/ABV (x)	4.7	3.8	3.3	2.9
PE (x)	34.8	27.8	24.7	22.0
CAR (%)	21.8	20.3	19.2	18.7

Key Data

KTKM.BO | KMB IN

52-W High / Low	Rs.2,064 / Rs.1,644
Sensex / Nifty	71,424 / 21,572
Market Cap	Rs.3,591bn/ \$ 43,235m
Shares Outstanding	1,988m
3M Avg. Daily Value	Rs.7214.99m

Shareholding Pattern (%)

Promoter's	25.91
Foreign	39.74
Domestic Institution	21.41
Public & Others	12.94
Promoter Pledge (Rs bn)	-

Stock Performance (%)

	1M	6M	12M
Absolute	(1.1)	(7.7)	2.5
Relative	(1.5)	(13.8)	(13.0)

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Asset-liability management led to better NIM

Quick Pointers:

- Core PPOP beat led by higher NIM; AIF based provision at Rs1.9bn.
- Strong CAR and sufficient LCR could provide leeway to grow.

KMB saw a good quarter; core PPOP beat PLe by 4.4% owing to better NIM and net loan/deposit accretion was softer at 3.2%/1.9%. Superior NIM was led by efficient balance sheet management as (1) surplus liquidity was utilized due to ICRR withdrawal which reduced deposit requirement (2) unsecured share further inched up to 12% and (3) sell down of IBPC (Rs 129bn) that could be lower yielding. As per bank, unsecured share can reach mid-teens. Deposit accretion QoQ was mainly led by 'AcitivMoney' (TD Sweep) which contributes 10% to overall deposits; aim is to retain SA customers at rates lower to TD. While systemic loan growth can see headwinds due to tight liquidity and peak LDR, KMB is insulated due to strong CET-1 at 20% and adequate LCR at 120%. With attractive RoA of 2.3%, we maintain our multiple at 3.3x on core Sep'25 core ABV, keeping SOTP based TP unchanged at Rs2,250. Retain 'BUY'.

- Core PPOP beat of 4.4% led by better NIM; one-time provision impact:** NII was higher at Rs65.5bn (PLe Rs63.0bn), as NIM was a beat yet again at 5.34% (PLe 5.09%) QoQ due to better yields and lower cost of funds. Credit growth was a miss at 15.7% YoY (PLe 17.7%); deposits too saw lower growth at 18.6% YoY (PLe 21%). Other income was softer at Rs22.97bn due to treasury loss. Opex was slightly higher at Rs42.8bn (PLe Rs42.0bn) due to both staff cost and other opex. Core PPOP at Rs44.1bn was 4.4% ahead of PLe owing to better NIM; PPOP was a tad lower at Rs45.7bn. GNPA/NNPA was stable QoQ at 1.7%/0.3%; PCR was 80.6% (79.1% in Q2'24). Provisions were a miss at Rs5.8bn (PLe Rs4.2bn) due to AIF provisioning of Rs1.9bn and Rs0.65bn of NPI, re-classified from MTM loss (PBT neutral). Core PAT at Rs28.9bn was 1.2% ahead of PLe. PAT was Rs30.05bn (PLe Rs31.6bn).
- Net loan growth lower owing to IBPC sale:** Net credit offtake was softer due to IBPC sell down of Rs129bn in Q3'24 (Rs87.3bn last quarter). However, gross loans grew by 4.3% QoQ/18.9% YoY. Wholesale growth was subdued (+2.9% QoQ) due to intense pricing pressure within large corporate segment. Credit substitutes saw a strong 21% QoQ growth led by mid-market and SME. Share of unsecured inched up to 12% (a year ago 10%) and unsecured share can grow upto mid-teens, as bank has accounted for risks and RBI regulations. Deposit growth was driven by 'ActivMoney' (TD Sweep +12.5% QoQ) and bank is focused on scaling up these deposits which is cannibalizing SA. TD Sweep now contributes 10% to overall deposits (vs 6.9% a year ago).
- NIM outperformed yet again:** NIM positively surprised due to (1) utilization of excess liquidity post ICRR withdrawal along with better balance sheet management and (2) credit flow led by higher yielding segments. In Q4'24, low deposit growth and cost of deposits may normalize, thereby impacting NIM. We expect NIM for FY24E at 5.0% (vs 4.85% in FY23). Due to tight liquidity and LDR at 88% we trim loan growth by 1% in FY25/26 which would translate to a 17% credit CAGR over FY24-26E. However, loan growth may not be constrained due to strong CET-1 at 20% and LCR at 120%.

Exhibit 1: PAT at Rs30.1bn led by lower treasury income and higher opex.

NII growth of 15.9% YoY driven by higher margins as the loan growth was lower.

Other income fell by 0.8% QoQ because of treasury loss.

Opex was tad higher at Rs45.7bn led by higher employee cost and other opex.

Deposits growth was strong at 18.6%YoY was driven by higher TD. While credit growth at 15.7% YoY was broad based across segments.

NIMs were beat at 5.2% (reported) led by higher yield on loans

Asset quality was in-line with GNPA/NNPA at 1.7%/0.3% even as slippages were at 3.47bn. PCR at 80.6%

Bank's CASA ratio fell sequentially at 47.7% due to strong TD growth.

Standalone Financials (Rs mn)	Q3FY24	Q3FY23	YoY gr. (%)	Q2FY24	QoQ gr. (%)
Interest Income	117,990	89,986	31.1	111,928	5.4
Interest Expense	52,455	33,457	56.8	48,962	7.1
Net interest income (NII)	65,535	56,529	15.9	62,966	4.1
Other income	22,970	21,000	9.4	23,145	(0.8)
Total income	88,505	77,529	14.2	86,112	2.8
Operating expenses	42,843	39,031	9.8	40,011	7.1
-Staff expenses	17,483	14,778	18.3	16,346	7.0
-Other expenses	25,360	24,253	4.6	23,665	7.2
Operating profit	45,662	38,498	18.6	46,101	(1.0)
Total provisions	5,791	1,488	289.1	3,666	58.0
Profit before tax	39,871	37,010	7.7	42,436	(6.0)
Tax	9,821	9,091	8.0	10,526	(6.7)
Profit after tax	30,050	27,919	7.6	31,910	(5.8)
Balance sheet (Rs mn)					
Deposits	4,086,360	3,446,660	18.6	4,009,629	1.9
Advances	3,595,880	3,107,340	15.7	3,482,841	3.2
Ratios (%)			Change (bps)	Change (bps)	
Profitability ratios					
RoaA	2.4	2.5	(16)	2.6	(24)
RoaE - Calc	13.9	14.9	(103)	15.3	(138)
NIM (reported)	5.2	5.5	(25)	5.1	11
Asset Quality ratios					
Gross NPL	63,017	59,946	5.1	60,872	3.5
Net NPL	12,253	13,448	(8.9)	12,748	(3.9)
Gross NPL ratio	1.7	1.9	(17)	1.7	0
Net NPL ratio	0.3	0.4	(9)	0.4	(3)
Coverage ratio	80.6	77.6	299	79.1	150
Business & Other Ratios					
Low-cost deposit mix	47.7	53.3	(553)	48.3	(52)
Cost-income ratio	48.4	50.3	(194)	46.5	194
Non int. inc / total income	26.0	27.1	(113)	26.9	(92)
Credit deposit ratio	88.0	90.2	(216)	86.9	114
CAR	21.2	21.7	(50)	22.9	(170)
Tier-I	20.1	20.7	(60)	21.9	(180)

Source: Company, PL

Key Q3FY24 Conference Call highlights

Assets/ Liabilities

- **Deposits grew 5.6% QoQ/18.8% YoY** driven by TD, while SA has been subdued. Bank focused on scaling up 'AcitivMoney' deposits. This has initiated change in the mix of deposits as a way to go forward. With growth of Activmoney, a new value proposition is launched for SME and NSME segment. Additionally, a new global service account is launched to meet needs of service export sector. CASA, however, declined by 75bps QoQ to 47.7%.
- **Advances growth at 4.3%QoQ/18.9% YoY** was broad based across corporate, CV/CE, unsecured, retail MFI, Agri and SME segment.

 - **Wholesale Book** grew by 7% QoQ/13%YoY because of flexibility in usage of funded assets advances and credit substitutes, based on pricing available. Hence, this quarter saw growth in investment book by 21% QoQ. This was led in particular by mid-market (+double digit QoQ) and SME segment (+5% QoQ/18% YoY). Growth is in-line with granular book philosophy of the management. Bank faced pricing pressures in large corporates. Management stated that due to challenges in the deal closures, income got a bit subdued.
 - **Commercial Banking – Overall disbursements grew 35%YoY.** In terms of **CV**, a significant growth was achieved. Freight demand continued to be stable. Bank is focused on increasing its market share and distribution footprint. **CE** – Disbursements grew 38% YoY led by improving demands on infrastructure side, macro-economic scenario and increased market share. **Tractor** – Still facing impact of monsoon season delay, thus, de-grew by 4.2%. However, used tractor business saw strong growth thereby aiding improved customer relationships and new customer acquisitions.
 - **MFI** continued momentum (+56% YoY) with an outreach in 12 states and an active base of 1.8mn women. Overall, management plans to invest in technology to build presence in largest underserved segment and improve market share.
 - **Agri business continued to be subdued in Q3FY24** led by lower utilization due to lower stocking by traders. However, management believes that demand will pick-up in the upcoming quarter and remain key area for growth.
 - **Consumer Banking: Unsecured products** showed healthy traction growing 40% YoY/9% QoQ. **Mortgage** – witnessed strong growth of 15% YoY despite pricing pressure with good traction in LAP which is strong suit for the bank. **Credit Card** (+50% YoY) is witnessing some risks due to leverage built up by customers leading to diminished repayment capability. Management states that this risk is in control.
 - **Business Banking (+20% YoY)** – On QoQ basis, growth was muted due to repayment of utilized limits originating from post festive season cash realization. MSE segment book is growing faster than small and medium enterprises book due to formalization in the segment.
- In terms of LDR, bank stands at 88%. However, the same is countered with high Tier 1 capital in form of pure equity and an LCR of 121%.

Margins/Other Inc./Opex

- **NIM** stood at 5.18% for Q3FY24 (~57%-58% EBLR, ~11.6% unsecured book). Management suggested that unsecured part can grow upto mid-teens, as the bank has been accounted for risks and RBI regulations. NIM in the previous quarter was high due to one-off adjustment
- **Opex** increased by 7.1% QoQ led by both operating and employee expenses. Other operating expenses were significantly higher, specially due to promotion and marketing during festive season; employee cost was higher because of higher retirement costs as well as some stock related hits.
- **Other income declined by 0.8% QoQ** majorly led by decline in treasury profits (Bond-short strategy); this volatility will continue till life of the asset.
- **Digital Initiatives:** Management suggested work towards enhancing customer experience, improved platforms and simplicity is in process. Focus is also on the future with notable improvements in consumer and wholesale areas.

Asset Quality

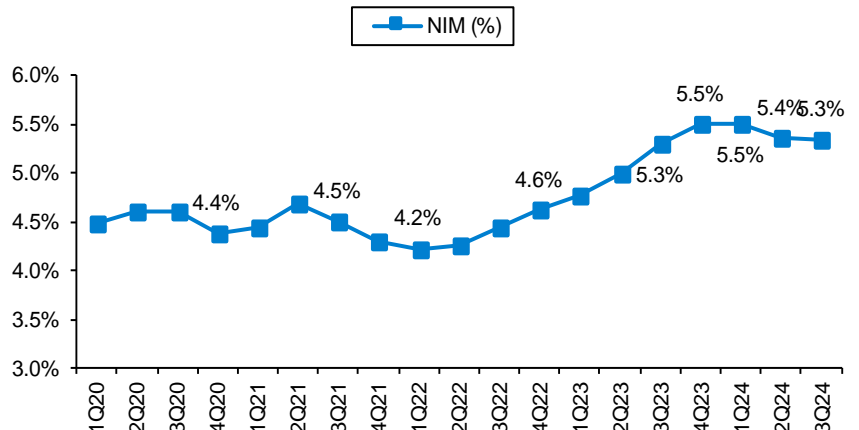
- Slippages for the quarter were lower. GNPA/NNPA was 1.73%/0.34%. PCR was ~80%, displaying a prudent accounting adopted by the management.
- Credit cost for Q3FY24 reduced to 40bps (~47bps in Q2FY24). Bank believes that credit environment is normalizing after a spell of benign credit conditions.

Exhibit 2: Unsecured loans drive in retail growth; corporate witness uptick

Loan Book (Rs mn)	Q3FY24	Q3FY23	YoY gr. (%)	Q2FY24	QoQ gr. (%)
Corp Banking	842,460	724,070	16.4	818,440	2.9
SME	258,160	231,540	11.5	245,690	5.1
Home loans	1,022,340	891,120	14.7	991,000	3.2
CV/CE	337,510	258,140	30.7	310,460	8.7
Cons Bank WC (secured)	337,900	289,400	16.8	330,950	2.1
PL, BL, Cons Durables	193,100	145,420	32.8	178,620	8.1
Credit Cards	138,820	91,590	51.6	125,970	10.2
Agri	275,120	261,280	5.3	270,310	1.8
Tractor Finance	151,560	129,860	16.7	143,760	5.4
Retail Micro Finance	85,100	53,380	59.4	79,870	6.5
Others	82,570	55,740	48.1	75,050	10.0
Total	3,724,640	3,131,540	18.9	3,570,120	4.3
Loan Book mix (%)	Q3FY24	Q3FY23	YoY gr. (%)	Q2FY24	QoQ gr. (%)
Corp Banking	22.6	23.1	(2.2)	22.9	(1.3)
SME	6.9	7.4	(6.3)	6.9	0.7
Home loans	27.4	28.5	(3.5)	27.8	(1.1)
CV/CE	9.1	8.2	9.9	8.7	4.2
Cons Bank WC (secured)	9.1	9.2	(1.8)	9.3	(2.1)
PL, BL, Cons Durables	5.2	4.6	11.6	5.0	3.6
Credit Cards	3.7	2.9	27.4	3.5	5.6
Agri	7.4	8.3	(11.5)	7.6	(2.4)
Tractor Finance	4.1	4.1	(1.9)	4.0	1.1
Retail Micro Finance	2.3	1.4	0.0	2.1	0.0
Others	2.2	1.8	24.5	2.1	5.5

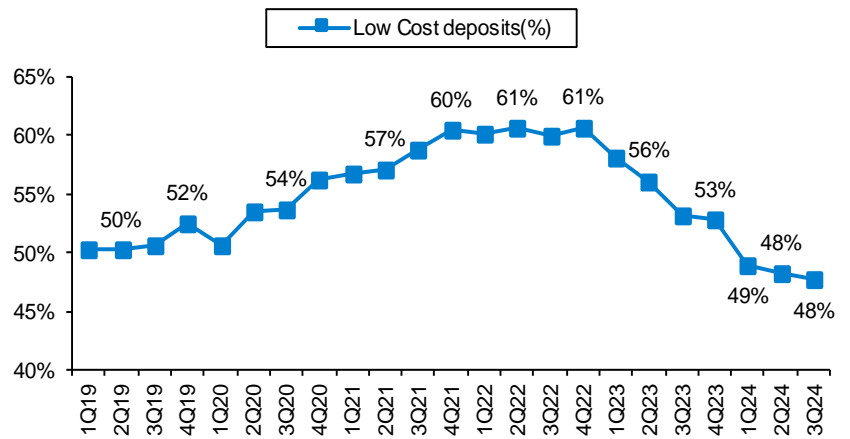
Source: Company, PL

Exhibit 3: NIMs stable at 5.34%(calc.) due to better yields and lower CoF



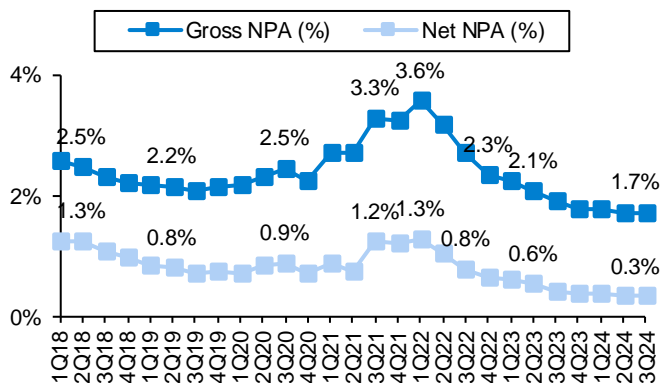
Source: Company, PL

Exhibit 4: CASA ratio fell by 60bps to 48% owing to higher TD growth



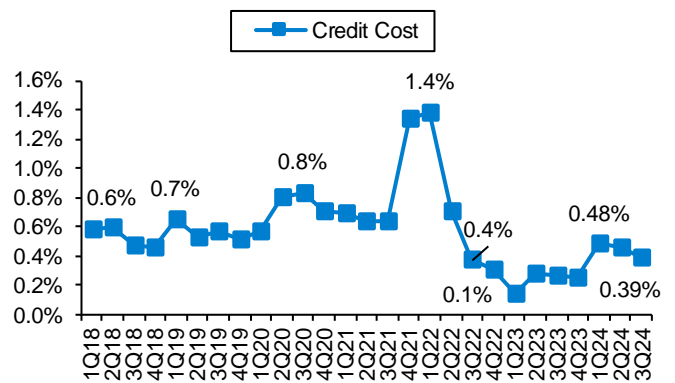
Source: Company, PL

Exhibit 5: Asset quality largely stable with GNPA at 1.7%



Source: Company, PL **Note:** Q3FY21 on pro-forma basis

Exhibit 6: Credit cost declines by 7bps QoQ at 0.39%

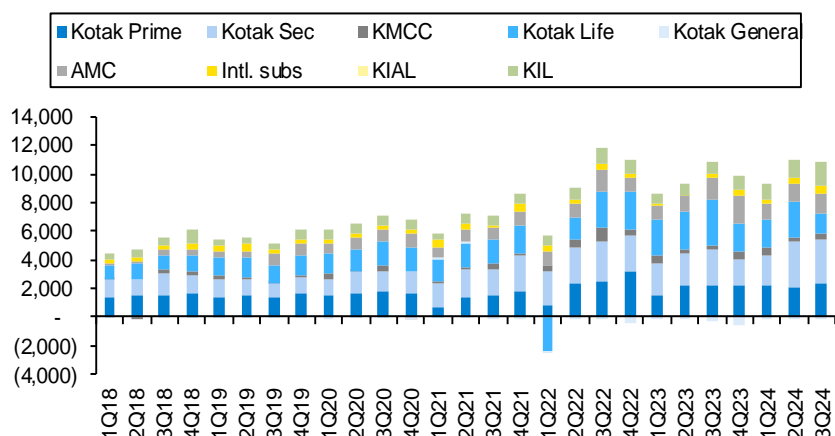


Source: Company, PL

Exhibit 7: Consolidated earnings performance decreased QoQ to Rs426.5bn

Consolidated Financials (Rs mn)	Q3FY24	Q3FY23	YoY gr. (%)	Q2FY24	QoQ gr. (%)
Standalone Bank	30,050	27,919	7.6	31,910	(5.8)
Kotak Prime	2,390	2,250	6.2	2,080	14.9
KMCC	350	280	25.0	270	29.6
Kotak Securities	3,060	2,410	27.0	3,240	(5.6)
International Subs	570	220	159.1	410	39.0
Kotak AMC	1,460	1,500	(2.7)	1,240	17.7
Kotak Mah. Investments	1,570	860	82.6	1,260	24.6
Lending business	32,440	30,169	7.5	33,990	(4.6)
Flow business	7,010	5,270	33.0	6,420	9.2
Consol PAT (ex - insurance)	41,440	36,920	12.2	42,210	(1.8)
Insurance*	1,210	3,030	(60.1)	2,400	(49.6)
Consolidated PAT	42,650	39,950	6.8	44,610	(4.4)

Source: Company, PL; *Note: Insurance includes both Life and General Insurance

Exhibit 8: Robust earnings of the group with 29% share from non-banking cos


Source: Company, PL

Exhibit 9: Standalone return ratios to remain close to 14% over FY25E/26E

Du-Pont Analysis	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E	FY26E
Net Interest Income	3.9	4.0	4.1	4.1	4.7	4.8	4.8	4.7
Other income	1.6	1.6	1.3	1.5	1.5	1.9	1.8	1.8
Total Income	5.5	5.6	5.5	5.6	6.2	6.7	6.6	6.5
Operating Expense	2.6	2.6	2.3	2.6	3.0	3.2	3.2	3.2
PPOP	2.9	3.0	3.2	3.0	3.2	3.6	3.4	3.3
Provisions	0.3	0.7	0.7	0.2	0.1	0.3	0.3	0.3
Taxes	0.9	0.6	0.6	0.7	0.8	0.8	0.8	0.8
ROA	1.7	1.8	1.9	2.1	2.4	2.4	2.4	2.3
ROE	12.1	12.9	12.4	12.6	14.0	14.4	14.1	13.9

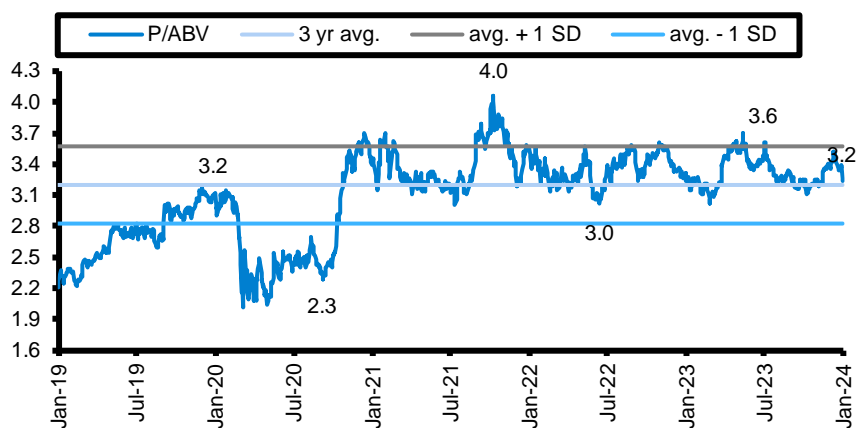
Source: Company, PL

Exhibit 10: SOTP based TP of Rs2,250 basis Sep'25E core ABV

Particulars	Per Share (Rs)	% of total	Valuation	Basis
Standalone bank	1,848	80.6	3.3x	Sep-25 core ABV
Insurance	184	8.0	3.0x	EV on Mar-23
Kotak AMC	69	3.0	5.0x	5% of Mar FY23 AUM
Kotak Prime	86	3.7	2.1x	Mar-23 Book
Kotak Sec	63	2.8	15.0x	FY23 PAT
KMCC	11	0.5	15.0x	Mar-23 PAT
Intl Subs	9	0.4	1.0x	Mar-22 Book
Others	24	1.0	15.0x	Mar-22 PAT
Total Subsidiary Valuation	2,295	100		
Hold Co Discount	45			
Sep24 based TP	2,250			

Source: Company, PL

Exhibit 11: KMB Standalone – one year forward P/ABV trades at 3.2x



Source: Company, PL

Income Statement (Rs. m)

Y/e Mar	FY23	FY24E	FY25E	FY26E
Int. Earned from Adv.	2,69,784	3,57,667	4,17,835	4,82,517
Int. Earned from invt.	64,587	88,699	1,00,865	1,12,243
Others	2,635	3,265	2,989	3,203
Total Interest Income	3,42,509	4,58,276	5,29,732	6,07,734
Interest Expenses	1,26,989	2,00,779	2,33,747	2,66,628
Net Interest Income	2,15,519	2,57,497	2,95,985	3,41,106
<i>Growth(%)</i>	28.1	19.5	14.9	15.2
Non Interest Income	70,831	99,460	1,12,824	1,28,711
Net Total Income	2,86,350	3,56,957	4,08,809	4,69,817
<i>Growth(%)</i>	25.2	34.9	15.2	14.6
Employee Expenses	55,478	68,832	80,683	93,684
Other Expenses	77,775	99,110	1,15,832	1,36,252
Operating Expenses	1,37,870	1,67,942	1,96,516	2,29,936
Operating Profit	1,48,480	1,89,016	2,12,293	2,39,881
<i>Growth(%)</i>	23.2	27.3	12.3	13.0
NPA Provision	5,077	14,210	17,079	20,147
Total Provisions	4,570	17,200	18,797	22,160
PBT	1,43,910	1,71,816	1,93,496	2,17,721
Tax Provision	34,517	42,590	48,374	54,430
<i>Effective tax rate (%)</i>	24.0	24.8	25.0	25.0
PAT	1,09,393	1,29,225	1,45,122	1,63,291
<i>Growth(%)</i>	27.6	18.1	12.3	12.5

Balance Sheet (Rs. m)

Y/e Mar	FY23	FY24E	FY25E	FY26E
Face value	5	5	5	5
No. of equity shares	2,107	1,988	1,988	1,988
Equity	10,536	9,938	9,938	9,938
Networth	8,30,202	9,57,682	10,91,709	12,46,835
<i>Growth(%)</i>	15.3	15.4	14.0	14.2
Adj. Networth to NNPA's	11,933	13,003	14,262	16,635
Deposits	36,30,961	42,90,539	49,94,339	58,45,409
<i>Growth(%)</i>	16.5	18.2	16.4	17.0
CASA Deposits	19,18,153	20,16,449	22,73,280	26,34,829
<i>% of total deposits</i>	52.8	47.0	45.5	45.1
Total Liabilities	48,98,625	57,25,683	66,13,381	77,57,337
Net Advances	31,98,612	37,75,674	44,17,179	51,66,082
<i>Growth(%)</i>	17.9	18.0	17.0	17.0
Investments	12,14,037	14,84,526	16,33,399	19,29,862
Total Assets	48,98,625	57,25,683	66,13,381	77,57,337
<i>Growth (%)</i>	14.1	16.9	15.5	17.3

Asset Quality

Y/e Mar	FY23	FY24E	FY25E	FY26E
Gross NPAs (Rs m)	57,683	65,017	72,120	84,069
Net NPAs (Rs m)	11,933	13,003	14,262	16,635
<i>Gr. NPAs to Gross Adv.(%)</i>	1.8	1.7	1.6	1.6
<i>Net NPAs to Net Adv. (%)</i>	0.4	0.3	0.3	0.3
<i>NPA Coverage %</i>	79.3	80.0	80.2	80.2

Profitability (%)

Y/e Mar	FY23	FY24E	FY25E	FY26E
NIM	4.9	5.0	5.0	4.9
RoAA	2.4	2.4	2.4	2.3
RoAE	14.0	14.4	14.1	13.9
Tier I	20.8	20.1	19.1	18.6
CRAR	21.8	20.3	19.2	18.7

Source: Company Data, PL Research

Quarterly Financials (Rs. m)

Y/e Mar	Q4FY23	Q1FY24	Q2FY24	Q3FY24
Interest Income	98,209	1,05,000	1,11,928	1,17,990
Interest Expenses	37,184	42,663	48,962	52,455
Net Interest Income	61,026	62,337	62,966	65,535
<i>YoY growth (%)</i>	35.0	32.7	23.5	15.9
CEB	19,280	18,270	20,260	21,440
Treasury	-	-	-	-
Non Interest Income	21,863	26,833	23,145	22,970
Total Income	1,20,072	1,31,833	1,35,074	1,40,960
Employee Expenses	14,545	16,470	16,346	17,483
Other expenses	21,870	23,204	23,665	25,360
Operating Expenses	36,415	39,674	40,011	42,843
Operating Profit	46,474	49,496	46,101	45,662
<i>YoY growth (%)</i>	39.1	77.8	29.2	18.6
Core Operating Profits	46,484	47,096	44,601	47,342
NPA Provision	1,820	3,650	3,660	3,240
Others Provisions	1,476	3,643	3,666	5,791
Total Provisions	1,476	3,643	3,666	5,791
Profit Before Tax	44,998	45,853	42,436	39,871
Tax	10,042	11,330	10,526	9,821
PAT	34,956	34,523	31,910	30,050
<i>YoY growth (%)</i>	26.3	66.7	23.6	7.6
Deposits	36,30,961	38,62,540	40,09,629	40,86,360
<i>YoY growth (%)</i>	16.5	22.0	23.3	18.6
Advances	31,98,612	32,85,820	34,82,841	35,95,880
<i>YoY growth (%)</i>	17.9	17.3	18.5	15.7

Key Ratios

Y/e Mar	FY23	FY24E	FY25E	FY26E
CMP (Rs)	1,807	1,807	1,807	1,807
EPS (Rs)	51.9	65.0	73.0	82.2
Book Value (Rs)	394	482	549	627
Adj. BV (Rs)	388	475	542	619
P/E (x)	34.8	27.8	24.7	22.0
P/BV (x)	4.6	3.7	3.3	2.9
P/ABV (x)	4.7	3.8	3.3	2.9
DPS (Rs)	1.2	3.3	3.7	4.1
<i>Dividend Payout Ratio (%)</i>	2.4	5.0	5.0	5.0
<i>Dividend Yield (%)</i>	0.1	0.2	0.2	0.2

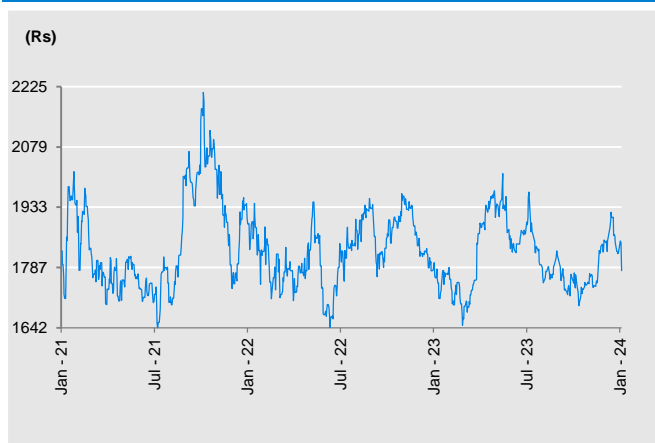
Efficiency

Y/e Mar	FY23	FY24E	FY25E	FY26E
<i>Cost-Income Ratio (%)</i>	48.1	47.0	48.1	48.9
<i>C-D Ratio (%)</i>	88.1	88.0	88.4	88.4
Business per Emp. (Rs m)	124	142	161	184
Profit per Emp. (Rs lacs)	20	23	25	27
Business per Branch (Rs m)	3,837	4,268	4,729	5,269
Profit per Branch (Rs m)	61	68	73	78

Du-Pont

Y/e Mar	FY23	FY24E	FY25E	FY26E
NII	4.69	4.85	4.80	4.75
Total Income	6.23	6.72	6.63	6.54
Operating Expenses	3.00	3.16	3.19	3.20
PPoP	3.23	3.56	3.44	3.34
Total provisions	0.10	0.32	0.30	0.31
RoAA	2.38	2.43	2.35	2.27
RoAE	14.60	13.51	13.42	13.37

Source: Company Data, PL Research

Price Chart
Recommendation History


No.	Date	Rating	TP (Rs.)	Share Price (Rs.)
1	08-Jan-24	BUY	2,250	1,848
2	22-Oct-23	BUY	2,250	1,770
3	07-Oct-23	BUY	2,250	1,744
4	24-Jul-23	BUY	2,250	1,970
5	06-Jul-23	BUY	2,220	1,877
6	01-May-23	BUY	2,220	1,938
7	11-Apr-23	BUY	2,100	1,757
8	22-Jan-23	BUY	2,100	1,763

Analyst Coverage Universe

Sr. No.	Company Name	Rating	TP (Rs)	Share Price (Rs)
1	AAVAS Financiers	Hold	1,560	1,566
2	Axis Bank	BUY	1,250	1,137
3	Bank of Baroda	BUY	240	235
4	Can Fin Homes	BUY	900	781
5	City Union Bank	Accumulate	160	153
6	DCB Bank	BUY	160	158
7	Federal Bank	BUY	180	150
8	HDFC Asset Management Company	BUY	3,900	3,501
9	HDFC Bank	BUY	2,000	1,679
10	ICICI Bank	BUY	1,280	994
11	IndusInd Bank	BUY	1,740	1,613
12	Kotak Mahindra Bank	BUY	2,250	1,848
13	LIC Housing Finance	Hold	460	575
14	State Bank of India	BUY	770	642
15	UTI Asset Management Company	BUY	900	875

PL's Recommendation Nomenclature (Absolute Performance)

Buy	: > 15%
Accumulate	: 5% to 15%
Hold	: +5% to -5%
Reduce	: -5% to -15%
Sell	: < -15%
Not Rated (NR)	: No specific call on the stock
Under Review (UR)	: Rating likely to change shortly



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