



**FIN2RESEARCH**  
Investment Advisor Pvt. Ltd.

Date : 06/02/25

## Techno Funda : Buy Kotak Mahindra Bank Limited

Buy Range : @ ₹1880-₹1910

Target : 1st @₹2000, 2nd @₹2140

Stock Info	
Mkt Cap (cr)	378349.4
52-Weeks High/Low	1,942-1,543
Avg Volume	39,12,531
No. of eq shares (cr)	198.82
Face Values	5.00
Bse Code	500247
Nse Code	KOTAKBANK
Free Float (cr)	280432.61
Source : NSE/BSE	

Particulars	2023	2024
Net Interest Margin(%)	5.40%	5.30%
Return on Assets	2.60%	2.70%
Return on Equity	14.40%	15.10%
Capital Adequacy Ratio	23.30%	21.80%
Gross NPA (₹ cr)	6419	6003
Net NPA (₹ crore)	1479	1567
Gross NPA Ratio	1.80%	1.40%
Net NPA Ratio	0.40%	0.40%
Advances (₹ cr)	359107	430352
Investments (₹ cr)	139359	175302
P/E	23.10	19.50
P/B	3.10	2.70
EPS	75.00	91.50

Source : Company, Fin2Research

Particulars	2023	2024
Interest income(₹ cr)	42151	56237
Other Income(₹ cr)	25991	38037
Interest Expended(₹ cr)	14411	22567
Profit before tax(₹ cr)	19646	23863
Profit after tax	14925	18213

Source : Company

Particulars	% of Total Shares
Promoters	25.89%
Mutual Funds/AIF	17.68%
Insurance co. & others	9.65%
Other DIIs	1.4600%
FII	32.48%
Retails and Others	12.85%
Total	100.0%

Source : Company

**Kotak Mahindra Bank Ltd:** Founded in 1985, the Kotak Mahindra Group is a leading Indian financial services conglomerate. Its flagship company, Kotak Mahindra Finance Ltd., became Kotak Mahindra Bank in 2003, the first Indian non-banking finance company to achieve this. As of September 30, 2012, the Group's consolidated balance sheet exceeded ₹1 lakh crore, and its net worth was approximately US\$2.6 billion. Kotak Mahindra offers diverse financial services, including banking, stock broking, mutual funds, life insurance, and investment banking, serving individuals and corporations. It has a broad distribution network across India and international offices in several countries.

**Key Highlights:** Kotak Reported that in fillings in Q3 the bank's standalone net profit rose by 10% to about ₹33.05 billion, driven by a 10% increase in net interest income (rising to ₹71.96 billion) and healthy loan growth (loans up 16% and deposits up 15%). However, this growth was partly offset by a significant 37% jump in provisions (to ₹7.94 billion) as the bank prepared for potential credit losses. The net interest margin slipped slightly (from 5.22% to 4.93%), suggesting that while lending volumes are expanding, rising credit costs could continue to pressure profitability.

Kotak Mahindra Bank's robust deposit growth is bolstered by its strong credit expansion. In Q3FY25, its loan book grew 3.58% quarter-on-quarter – the highest among private sector banks – reflecting its effective credit demand generation. Meanwhile, the bank deliberately moderated the growth of its unsecured lending portfolio, with personal loans and credit cards increasing by only 6.7% year-on-year, the lowest among its peers. Additionally, Kotak was the only private lender to report a sequential improvement in its net interest margin, with a 2 basis point gain, and it maintained one of the best gross NPA ratio performances in the sector, second only to ICICI Bank.

**Acquisition of a Personal Loan Book:** Recently, Kotak completed the acquisition of a ₹3,300-crore personal loan book from Standard Chartered Bank India. This move is expected to boost its lending portfolio and, in turn, its net interest income. However, such acquisitions also bring the risk of inheriting lower-quality assets, which may increase the need for higher provisions if those loans underperform.

Ashok Vaswani, the managing director and CEO of Kotak Mahindra Bank, affirmed that inorganic strategies would continue to be a key element in the bank's approach to scaling up, emphasizing that every opportunity would be pursued. When asked about the ongoing sale of IDBI Bank, he maintained that the same rationale applied.

Kotak Mahindra Bank is set to accelerate its branch expansion by opening between 175 and 200 new branches in the financial year 2024–25, according to a senior official. This move comes several months after the Reserve Bank of India barred the bank from sourcing new customers digitally. In response, the bank has ramped up its investments in IT infrastructure, enhancing digital payment security controls and ensuring compliance with regulatory cybersecurity standards.

Kotak BizLabs Accelerator Programme has been launched to transform India's startup ecosystem by supporting up to 1,000 startups across sectors such as agritech, climatech, fintech, healthcare, edtech, and sustainability. The programme offers a Virtual Knowledge Centre featuring an Online Startup School, resources, and networking opportunities, while select startups can receive mentoring and a grant of ₹15 lakhs. In partnership with incubators like IIMA Ventures, NSRCEL, and T-Hub, it provides market access, funding, and advisory support. To date, over 200 startups have enrolled, and 15 roadshows have been conducted in Tier-2 and Tier-3 cities such as Indore, Surat, and Warangal.

### Key Risks :

- ❑ The company's performance and interest rate income could be influenced by the prevailing interest rate risk within the economy.
- ❑ A reversal in the credit cycle could trigger a sharper-than-expected deterioration in asset quality. This scenario would likely result in an increased incidence of loan defaults, forcing banks to significantly raise their loan loss provisions. Consequently, profitability may weaken due to the higher cost of covering these losses, which in turn could put pressure on the bank's earnings and capital buffers.

**Buy Range : @ ₹1880 - ₹1910**

**Target : 1st @ ₹2000 , 2nd @ ₹ 2140**



- **Price Above Moving Averages:** The stock price is trading above its 10-day, 20-day, and 21-day moving averages. This is a classic sign of an uptrend. Traders often see the crossing of the 20-day MA as a significant bullish signal.
- **Bollinger Band Breakout:** The chart shows that the price has recently broken above the upper Bollinger Band. This suggests a surge in buying pressure and potential for further upside. It indicates that the stock might be overbought in the short term, but in a strong uptrend, prices can remain extended for a while.
- **Overbought Condition:** The breakout above the upper Bollinger Band and the RSI above 50 suggest the stock might be overbought in the short term. This could lead to a temporary pullback or consolidation.
- **Confirmation:** It's crucial to look for confirmation of these bullish signals in the coming days/weeks. This could involve the price holding above key moving averages, continued positive momentum, and healthy volume.
- **Support Level:** The chart notes support at 1620. The fact that the price has moved significantly away from this support level and is now trading at a higher range reinforces the bullish sentiment.



**DISCLAIMER:****ANALYST CERTIFICATION**

I Ashish Sanwariya Research Analyst, author, and the name subscribed to this report, hereby certify that all of the views expressed in this research report accurately reflect my views about the subject issuer(s) or securities. I also certify that no part of our compensation was, is, or will be directly or indirectly related to the specific recommendation(s) or view(s) in this report. It is also confirmed that above-mentioned Analyst of this report has not received any compensation from the companies mentioned in the report in the preceding twelve months and does not serve as an officer, director, or employee of the companies mentioned in the report.

**Terms & conditions and other disclosures:**

**Investments in the securities market are subject to market risks. Read all the related documents carefully before investing.**

Registration granted by Sebi and certification from NISM in no way guarantee the performance of the intermediary or provide any assurance of returns to investors. None of the research recommendations promise or guarantee any assured, minimum, or risk-free return to the investors.

Technical and derivative analysis-based reports make recommendations based on charts showing a stock's price movement, open positions, trading activity, etc., rather than on the company's fundamentals. As a result, these recommendations may differ from those in fundamental reports.

Fin2research Investment Advisor Private Limited (FIA) is the source of information and opinions in this report, which may be subject to change at any time. Any and all content in this report is confidentially sourced only for that intended audience and may not be altered, transmitted (in whole or in part), copied into another medium, or reproduced elsewhere without the written permission of Fin2research Investment Advisor Private Limited (FIA). Although we will endeavor to update the information contained herein for reasonable reasons, Fin2research Investment Advisor Private Limited (FIA) has no obligation to update or keep this information current. Due to regulatory, compliance, or other reasons, Fin2research Investment Advisor Private Limited (FIA) may be unable to do so.

The accuracy of this report is not guaranteed and it relies on information from public sources that have not been independently verified. This report and the information contained in it are for informational purposes only and should not be used or considered as an offer document or as an invitation to buy, sell, or subscribe to securities or other financial instruments. Although it is distributed to all clients at the same time, not all clients can receive this report at the same time. Fin2research Investment Advisor Private Limited (FIA) will not treat recipients as customers by virtue of their receiving this report. Nothing in this report constitutes investment, legal, accounting, or tax advice or a representation that any investment or strategy is or would be appropriate for your particular circumstances.

The securities mentioned and opinions expressed in this document might not be appropriate for all investors, who have to make their very own investment decisions, primarily based totally on their very own investment objectives, economic positions, and needs of the particular recipient. This may not be taken in substitution for the exercising of independent judgment through any recipient. The recipient must independently compare the investment risks. Any number of factors, including fluctuations in interest rates and foreign exchange rates, could affect the value and return on investment. Fin2research Investment Advisor Private Limited (FIA) disclaims all responsibility for any form of loss or damage resulting from using this material. Future performance is not always predicted by past performance. Before making an investment in the securities markets, investors are recommended to review the Risk Disclosure Document to understand the risks involved. Actual results may differ materially from those set forth in projections. Statements that are deemed forward-looking are not guarantees and could change at any time.

As of the final day of the month before the research report was published, none of the following parties owned 1% or more of the equity securities of the company mentioned in the study: Fin2research Investment Advisor Private Limited (FIA), all of its subsidiaries, research analysts, or any family members of any of these parties.

The material contained in this study may not align with previous reports published by Fin2research Investment Advisor Private Limited (FIA) or reach a different conclusion. Fin2research Investment Advisor Private Limited (FIA) and its Research Analysts have not participated in any market-making activities on behalf of the firms listed in the report. We contend that no regulatory authority has taken any significant disciplinary action against Fin2research Investment Advisor Private Limited (FIA) that would have an impact on the company's ability to conduct equity research analysis.

The distribution, publication, availability, or use of this report by any person or entity that is a citizen or resident of, or located in, any locality, state, country, or other jurisdiction is not authorized or intended, as it may violate legal requirements or subject Fin2research Investment Advisor Private Limited (FIA) and affiliates to registration or licensing requirements in such jurisdictions. Certain groups of investors or all jurisdictions may not be able to purchase the securities covered here. It is expected of everyone who may come into possession of this material to become aware of and abide by these restrictions.

**THANK YOU****Fin2Research Investment Advisor Pvt Ltd (FIA)**

CIN: U70200DL2023PTC413207IA

Registration No: INA000018425

Registered Office: Plot No A 2nd Floor, Street New Bungalow Road, Malka Ganj, Delhi North Delhi, 110007 Delhi

Phone no: 9711885801

Email id: [customercare@fin2research.com](mailto:customercare@fin2research.com)Website: [www.fin2research.com](http://www.fin2research.com)For Research Query- [researchdesk@fin2research.com](mailto:researchdesk@fin2research.com)