

**HDFC Bank**

**ICICI Bank**

**Kotak Mahindra  
Bank**

**Axis Bank**

**IndusInd Bank**

# **Top 5 Private Banks**

## **Quantitative Analysis**

**Based on Q4 FY22 Performance**

# Quantitative Analysis Methodology by Yadnya

Analysis in 2 Ways

Quantitative Analysis of  
Top 5 Private Banks

HDFC Bank

ICICI Bank

Kotak Bank

Axis Bank

IndusInd  
Bank

 **stock-o-meter**

**stock-o-meter** Plus

# Quantitative Analysis of Private Banks – 19 Parameters Covered

Valuation Ratios  
PE Ratio, PB Ratio

Return Ratios  
ROE, ROA

Sales Growth  
5 years, 3 years

Net Profit Growth  
5 years, 3 years

Net Interest Income  
as a % of Operating  
Income

Retail Loan Book %

CASA Ratio

Gross NPA

Net NPA

Provision Coverage  
Ratio

Net Interest Margin  
%

Cost to Income Ratio

Capital Adequacy  
Ratio

Liquidity Coverage  
Ratio

Franchise  
No. of Branches

## Top 5 Private Banks – Quantitative Analysis

Private Banks	Market Capitalization (Rs. Cr)
HDFC Bank	7,19,693
ICICI Bank	4,74,012
Kotak Mahindra Bank	3,53,257
Axis Bank	1,96,539
IndusInd Bank	68,680

Market Cap as on May 13, 2022

## Price to Earnings Ratio

Private Banks	PE Ratio	Rank	Points
HDFC Bank	18.91	4	2
ICICI Bank	18.88	3	3
Kotak Mahindra Bank	29.22	5	1
Axis Bank	13.92	1	5
IndusInd Bank	14.09	2	4

## Price to Book Ratio

Private Banks	PB Ratio	Rank	Points
HDFC Bank	2.90	4	2
ICICI Bank	2.64	3	3
Kotak Mahindra Bank	3.65	5	1
Axis Bank	1.65	2	4
IndusInd Bank	1.41	1	5

## Return on Equity

Private Banks	ROE	Rank	Points
HDFC Bank	16.2%	1	5
ICICI Bank	14.8%	2	4
Kotak Mahindra Bank	12.8%	3	3
Axis Bank	12.4%	4	2
IndusInd Bank	10.3%	5	1

## Return on Assets

Private Banks	ROA Q4 FY22 Annualized	Rank	Points
HDFC Bank	2.10%	3	3
ICICI Bank	2.11%	2	4
Kotak Mahindra Bank	2.70%	1	5
Axis Bank	1.46%	5	1
IndusInd Bank	1.51%	4	2



## Sales & Net Profit Growth 5 years CAGR

Private Banks	Sales	Rank	Points	Profit	Rank	Points
HDFC Bank	13.0%	2	4	20.5%	2	4
ICICI Bank	9.8%	3	3	19.0%	4	2
Kotak Mahindra Bank	8.8%	4	2	20.3%	3	3
Axis Bank	8.6%	5	1	28.8%	1	5
IndusInd Bank	16.4%	1	5	10.0%	5	1

# Sales & Net Profit Growth 3 years CAGR

Private Banks	Sales	Rank	Points	Profit	Rank	Points
HDFC Bank	8.9%	3	3	20.6%	4	2
ICICI Bank	10.9%	2	4	90.7%	1	5
Kotak Mahindra Bank	4.2%	5	1	20.9%	3	3
Axis Bank	7.0%	4	2	40.6%	2	4
IndusInd Bank	11.5%	1	5	11.8%	5	1

- Dampened PAT due to Higher Provisioning in FY19 stood at Rs.19,661 Cr in FY19 vs Rs.8,641 Cr in FY22 (declined by 56% in Mar-22 vs Mar-19)
- Gross NPA was at 6.70% as of Mar-19 vs 3.60% as of Mar-22
- So, Strong CAGR Growth (3-year) on Lower PAT base of FY19

ICICI	FY19	FY22	3 yr CAGR
Sales	63,401	86,375	10.7%
Provisions	19,661	8,641	-56%
PAT	3,363	23,339	90.7%

## Net Interest Income as a % of Operating Income

Private Banks	NII as a % of Operating Income	Rank	Points
HDFC Bank	71.19%	3	3
ICICI Bank	73.22%	1	5
Kotak Mahindra Bank	71.21%	2	4
Axis Bank	69.32%	4	2
IndusInd Bank	67.65%	5	1

## Retail Loan Book %

Private Banks	Retail Loan Book	Rank	Points
HDFC Bank	39.0%	5	1
ICICI Bank	71.0%	1	5
Kotak Mahindra Bank	65.2%	2	4
Axis Bank	57.0%	3	3
IndusInd Bank	54.0%	4	2

## CASA Ratio

Private Banks	CASA Ratio	Rank	Points
HDFC Bank	48.2%	2	4
ICICI Bank	45.2%	3	3
Kotak Mahindra Bank	60.7%	1	5
Axis Bank	45.0%	4	2
IndusInd Bank	42.7%	5	1

# Gross NPA

Private Banks	Gross NPA	Rank	Points	Dec-21	Mar-22
HDFC Bank	1.17%	1	5	1.26%	→ 1.17%
ICICI Bank	3.60%	5	1	4.13%	→ 3.60%
Kotak Mahindra Bank	2.34%	3	3	2.71%	→ 2.34%
Axis Bank	2.82%	4	2	3.17%	→ 2.82%
IndusInd Bank	2.27%	2	4	2.48%	→ 2.27%

# Net NPA

Private Banks	Net NPA	Rank	Points	Dec-21	Mar-22
HDFC Bank	0.32%	1	5	0.37%	→ 0.32%
ICICI Bank	0.76%	5	1	0.85%	→ 0.76%
Kotak Mahindra Bank	0.64%	2	4	0.79%	→ 0.64%
Axis Bank	0.73%	4	2	0.91%	→ 0.73%
IndusInd Bank	0.64%	2	4	0.71%	→ 0.64%

## Provision Coverage Ratio

Private Banks	Provision Coverage Ratio	Rank	Points	Dec-21	Mar-22
HDFC Bank	73.0%	4	2	71.0%	→ 73.0%
ICICI Bank	79.2%	1	5	79.9%	→ 79.2%
Kotak Mahindra Bank	73.2%	3	3	71.0%	→ 73.2%
Axis Bank	75.0%	2	4	72.0%	→ 75.0%
IndusInd Bank	72.0%	5	1	72.0%	→ 72.0%



## Net Interest Margin

Private Banks	NIM %	Rank	Points
HDFC Bank	4.00%	3	3
ICICI Bank	4.00%	3	3
Kotak Mahindra Bank	4.78%	1	5
Axis Bank	3.49%	5	1
IndusInd Bank	4.20%	2	4

## Cost to Income Ratio

Private Banks	Cost to Income Ratio	Rank	Points
HDFC Bank	38.3%	1	5
ICICI Bank	40.6%	2	4
Kotak Mahindra Bank	47.4%	4	2
Axis Bank	51.7%	5	1
IndusInd Bank	42.6%	3	3

# Capital Adequacy Ratio

Private Banks	Capital Adequacy Ratio	Rank	Points
HDFC Bank	18.9%	3	3
ICICI Bank	19.2%	2	4
Kotak Mahindra Bank	22.7%	1	5
Axis Bank	18.5%	4	2
IndusInd Bank	18.4%	5	1

# Liquidity Coverage Ratio

Private Banks	LCR %	Rank	Points	Dec-21	Mar-22
HDFC Bank	112%	5	1	123% →	112%
ICICI Bank	127%	2	4	133% →	127%
Kotak Mahindra Bank	130%	1	5	146% →	130%
Axis Bank	116%	4	2	113% →	116%
IndusInd Bank	127%	2	4	137% →	127%

- LCR is the proportion of High Quality Liquid Assets (HQLA) set aside to meet short-term obligations over the next 30 calendar days
- $LCR = (\text{Bank's High-Quality Liquid Assets} / \text{Total Net Cash outflow of bank, over a 30-day stress period})$
- Here, HQLA include only those assets with a high potential to be converted easily and quickly into cash (such as short-term government bonds)
- From April 1, 2021, Minimum LCR Threshold Level set by RBI : 100%

## Franchise – Number of Branches as on Mar-22

Private Banks	No. of Branches	Rank	Points
HDFC Bank	6,342	1	5
ICICI Bank	5,418	2	4
Kotak Mahindra Bank	1,700	5	1
Axis Bank	4,758	3	3
IndusInd Bank	2,265	4	2

# Top 5 Private Banks – Quantitative Analysis Final Score

Rank	Private Banks	Points
1	ICICI Bank	67
2	HDFC Bank	62
3	Kotak Mahindra Bank	60
4	IndusInd Bank	51
5	Axis Bank	48