

Financial Analysis of Axis Bank Limited

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PROFIT & LOSS ACCOUNT OF HDFC BANK (In Rs. Cr.)	MAR 21	MAR 20	MAR 19	MAR 18	MAR 17
	12 mths	12 mths	12 mths	12 mths	12 mths
INCOME					
Interest / Discount on Advances / Bills	94,834.54	91,787.88	77,544.19	62,661.79	52,055.26
Income from Investments	23,214.27	20,633.32	19,997.46	16,222.37	15,944.34
Interest on Balance with RBI and Other Inter-Bank funds	2,341.25	1,828.93	635.70	523.88	532.02
Others	468.17	562.52	794.70	833.31	774.34
TOTAL INTEREST EARNED	120,858.23	114,812.65	98,972.05	80,241.36	69,305.96
Other Income	25,204.89	23,260.82	17,625.88	15,220.30	12,296.50
TOTAL INCOME	146,063.12	138,073.47	116,597.94	95,461.66	81,602.46
EXPENDITURE					
Interest Expended	55,978.66	58,626.40	50,728.83	40,146.49	36,166.73
Payments to and Provisions for Employees	10,364.79	9,525.67	7,761.76	6,805.74	6,483.66
Depreciation	1,302.41	1,195.85	1,140.10	906.34	833.12
Operating Expenses (excludes Employee Cost & Depreciation)	21,055.42	19,976.01	17,217.51	14,978.30	12,386.55
TOTAL OPERATING EXPENSES	32,722.63	30,697.53	26,119.37	22,690.38	19,703.34
Provision Towards Income Tax	11,644.77	9,833.15	12,129.61	10,107.25	7,916.97
Provision Towards Deferred Tax	-1,102.31	516.69	-1,008.12	-896.68	-327.54
Other Provisions and Contingencies	15,702.85	12,142.39	7,550.08	5,927.49	3,593.31
TOTAL PROVISIONS AND CONTINGENCIES	26,245.31	22,492.23	18,671.57	15,138.06	11,182.74
TOTAL EXPENDITURE	114,946.59	111,816.15	95,519.77	77,974.93	67,052.82
NET PROFIT / LOSS FOR THE YEAR	31,116.53	26,257.32	21,078.17	17,486.73	14,549.64
NET PROFIT / LOSS AFTER EI & PRIOR YEAR ITEMS	31,116.53	26,257.32	21,078.17	17,486.73	14,549.64
Profit / Loss Brought Forward	57,492.40	49,223.30	40,453.42	32,668.94	23,527.69
TOTAL PROFIT / LOSS AVAILABLE FOR APPROPRIATIONS	88,608.93	75,480.62	61,531.58	50,155.67	38,077.33
APPROPRIATIONS					
Transfer To / From Statutory Reserve	7,779.13	6,564.33	5,269.54	4,371.68	3,637.41
Transfer To / From Capital Reserve	2,291.68	1,123.85	105.34	235.52	313.41
Transfer To / From Revenue And Other Reserves	0.00	0.00	0.00	0.00	0.00
Dividend and Dividend Tax for The Previous Year	0.00	0.00	0.00	3,390.58	-1.69
Equity Share Dividend	0.00	6,540.31	4,052.59	0.00	0.00
Tax On Dividend	0.00	0.00	0.00	0.00	0.00
Balance Carried Over To Balance Sheet	73,652.79	57,492.40	49,223.30	40,453.42	32,668.94
TOTAL APPROPRIATIONS	88,608.93	75,480.62	61,531.58	50,155.67	38,077.33
OTHER INFORMATION					
EARNINGS PER SHARE					

Basic EPS (Rs.)	56.58	48.01	78.65	67.76	57.18
Diluted EPS (Rs.)	56.32	47.66	77.87	66.84	56.43
DIVIDEND PERCENTAGE					
Equity Dividend Rate (%)	650.00	250.00	750.00	650.00	550.00

Summa - Risk Global Solutions Limited

Cash Flow Statements-

	(₹ in Thousands)	
	Year ended 31-03-2021	Year ended 31-03-2020
Cash flow from operating activities		
Net profit before taxes	88,058,457	49,042,266
Adjustments for:		
Depreciation on fixed assets	9,481,530	7,729,508
Depreciation on investments	13,290,824	1,359,912
Amortisation of premium on Held to Maturity investments	5,921,192	3,538,847
Provision for Non Performing Assets (including bad debts)	122,047,721	127,555,268
Provision on standard assets	24,580,779	14,513,249
Provision on unhedged foreign currency exposure	2,155,800	(106,800)
Profit/(loss) on sale of land, buildings and other assets (net)	68,553	44,813
Provision for country risk	(121,721)	121,721
Provision for restructured assets/strategic debt restructuring/sustainable structuring	(136,760)	(154,980)
Provision for other contingencies	7,146,658	42,050,763
Dividend from Subsidiaries	(583,500)	(2,402,561)
	271,909,533	243,292,006
Adjustments for:		
(Increase)/Decrease in investments	(189,684,607)	242,642,832
(Increase)/Decrease in advances	(635,485,404)	(869,492,216)
Increase /(Decrease) in deposits	672,011,428	916,335,964
(Increase)/Decrease in other assets	46,979,953	(257,994,454)
Increase/(Decrease) in other liabilities & provisions	(11,965,037)	49,702,444
Direct taxes paid	(17,939,424)	(28,353,805)
Net cash flow from operating activities	135,826,442	296,132,771
Cash flow from investing activities		
Purchase of fixed assets	(9,016,560)	(10,719,744)
(Increase)/Decrease in Held to Maturity investments	(532,699,292)	(89,455,847)
Increase in Investment in Subsidiaries	(67,000)	(67,000)
Proceeds from sale of fixed assets	131,382	169,658
Dividend from Subsidiaries	583,500	2,402,561
Net cash used in investing activities	(541,067,970)	(97,670,372)

Financial Performance as on 31st March 2021

A. Interest income on Total Capital Employed

Axis Bank=	$\frac{94834.54}{996118}$	9.52%
HDFC Bank	$\frac{128552}{1799506}$	7%
ICICI Bank	$\frac{79118}{1230432}$	6%

Interest income
for Axis bank

B. Interest coverage ratio-

Net cash flow from operating activities	135826.4
Interest expended=	55978.66

Interest coverage = $\frac{\text{Net cash flow from operating activities}}{\text{Interest expended}}$

$\frac{135826.4}{55978.66}$

2.426397 Times

Meeting fixed obligations by bank is not a concern

C. Net profit per share

Axis Bank	21.5
HDFC Bank	56.44
ICICI Bank	23.41
Kotak Mahindra Bank	35.14

Bank is performing below average when it comes to Net profit per share

D. Return on capital employed

Axis Bank	2.70%
HDFC Bank	3.42%
ICICI Bank	3.10%
Kotak Mahindra Bank	3.32%

Axis Bank is lagging behind in effective utilization of Assets to gain return

E. Price to book value

Axis Bank	2.10 Times
HDFC Bank	4.04 Times
ICICI Bank	2.78Times
Kotak Mahindra Bank	5.50Times

When it comes to Increasing value to existing shareholders, Axis bank is lagging behind as con

me (Core Income) itself is providing 9.52% return on total capital employed
which is much higher than other two largest player in an industry.

