"I look at Kotak as a constant confluence of river waters, collaborating to build a sustainable ocean, aspiring to live in perpetuity."

Uday Kotak
Managing Director & CEO
We are willing to benchmark the internal talent vis-a-vis our needs and attract the talent from outside for Kotak to be the best in class in what we do for our stakeholders. I can see and feel a palpable change, both in the mindset and the execution.

In the last one year alone, we have onboarded a new CTO, a Chief of Customer Experience, a Head of Brand, Product and Marketing and a Chief of Retail and Commercial Risk to drive potentially transformative changes in each of these areas. At the same time we will grow internal talent, which is future ready.

Moving to the big picture. Geo-politics dominates the world economies and India has indeed played its cards well. From oil diplomacy which has given India access to cheaper oil to a strategic positioning among the US, Russia and China, India has pivoted herself to be a key player for Europe, the Middle East, Japan and Australia as well.

Indian economy in a sweet spot: Good time for bold thinking

Indian macro is in good shape. So is the micro. At this stage, a virtuous cycle for India is on the cards. Our financial sector is in its Goldilocks period. Clock striking midnight seems far away for Cinderella. Hence, this is the time to ask ourselves the tough questions. What are we doing for a USD 30 trillion economy by 2047 when India completes 100 years of Independence? Our financial sector needs significant capacity building for this aspiration.

The turbulent period post 2008, saw the Indian financial sector experiencing many crises till about 2020. That has led to a need for a review of existing regulations to ease and cut down the cost of compliance. I look forward to seeing progress on that.

Our performance - A strong focus on fundamentals drives a stable growth

The optimism is well reflected in our full-year numbers too, especially in our growth in profits, margins and asset quality standards. In FY 2022-23, our Net Profit at the consolidated level witnessed a 23% YoY growth to ₹ 14,923 crore. The Return on Assets (ROA) at the consolidated level was 2.62% for FY 2022-23 (2.36% for FY 2021-22). Our Bank Standalone Net Interest Margin (NIM) stood at 5.33% (up 72 bps against FY 2021-22) and our Net Profit witnessed a 28% YoY growth to ₹ 10,939 crore.

Reflecting our conviction and commitment to growth, we grew our Net Advances in the year by 18% YoY of which our unsecured retail advances book (including retail microfinance) forms 10% of Net Advances as on 31st March, 2023. Our CASA stood at 52.8%, Capital Adequacy Ratio (CAR) at 21.8% with CET1 at 20.6%. As on 31st March, 2023, the total Assets Under Management (AUM) for Kotak Group was more than ₹ 4,20,800 crore with our alternate assets book showing a growth of about 125% YoY at ₹ 46,077 crore (include undrawn commitments, wherever applicable).

The focused ESG journey we began last year has reaped results in the form of better ESG ratings and recognition through various awards. We are proud of our growing focus on education and livelihoods, healthcare, sports and environmental sustainability through our Corporate Social Responsibility programs. We continue our relentless efforts to enhance gender diversity in our work force and we extend support for our employees who are new mothers or single parents by facilitating day care for their infants starting April 2023. We have achieved group wide coverage on key ESG disclosures for FY 23, enhancing the communication to our stakeholders.1

As a responsible, homegrown ecosystem, we cater to the diversified financial needs of our customers in addition to banking and financing, be it mutual funds, insurance (life and general), investment banking, institutional and retail broking services, investment advisory, alternate assets, et al.

I would like us to pursue the Indian dream of a USD 30 trillion economy and unshackle the financial sector in a nuanced manner towards optimum regulation.

"I am confident that the alignment and commitment of the shareholders, board and the management will navigate us through the changing times."